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CONDITIONS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Report of the Drafting Committee

1. At its 1503rd meeting, on 29 May 1980, the Trusteeship Council appointed a drafting committee composed of the representatives of France and the United Kingdom of Great Britain and Northern Ireland to propose, on the basis of the discussions which had taken place in the Council, conclusions and recommendations on conditions in the Trust Territory of the Pacific Islands, and to make recommendations concerning the chapter on conditions in that Territory for inclusion in the next report of the Trusteeship Council to the Security Council.
2. The Drafting Committee held ___ meetings. It had the benefit of the assistance of representatives of the Administering Authority.
3. In the light of the general discussions in the Trusteeship Council on conditions in the Territory, the Committee drafted a number of conclusions and recommendations which it considered as reflecting the opinions of the majority of the members of the Council and which are set forth in the annex to the present report.
4. The Committee recommends to the Trusteeship Council that it adopt the revised working paper on conditions in the Trust Territory of the Pacific Islands (T/L.1220 and Add.1-2) as the basic text for the chapter on conditions in that Territory to be included in the next report of the Trusteeship Council to the Security Council.
5. The Committee also recommends that the Trusteeship Council adopt the conclusions and recommendations set out in the annex and include them at the end of the report.

Annex

DRAFT CONCLUSIONS AND RECOMMENDATIONS

A. GENERAL

Land and people

1. The Trusteeship Council notes that, according to the President of the Federated States of Micronesia, the creation of new institutions and the establishment of the capital at Ponape constitute an additional financial burden for the Federation. It considers that this question should continue to be the subject of particular attention.
2. The Council notes with satisfaction the efforts made by the Administering Authority, in particular through the financing of a two-year programme, to upgrade the high-frequency telecommunications system of the Trust Territory. However, it asks the Administering Authority to consider the possibility of using a system that is technically more suited to the needs of the Territory.
3. The Council notes with interest that a census of the population of the Trust Territory will be taken in September 1980.
4. The Council takes note of the concern expressed by the representatives of Micronesia about the possible dangers of the dumping of nuclear waste in the Pacific region and the comments made in that regard by the Administering Authority (T/OBS.10/49). The Council has also taken note of the communication of the Government of Japan on this subject (T/1823).
5. The Council welcomes the steps taken by the Administering Authority to repair the damage caused by last December's tidal wave, which affected Majuro.

Population movements

6. The Council notes with satisfaction that the clean-up and rehabilitation programme of Enewetak was completed this year, as scheduled. It takes note of the Administering Authority's intention to resettle the inhabitants of Enewetak during the next few months. It notes with satisfaction that the necessary medical examinations will be provided on an ongoing basis and that the health of the people of Enewetak will be fully protected.
7. The Council is, however, still concerned about the fate of the Bikinians, who can no longer expect to return to Bikini in the near future. It notes that joint exploratory missions to find a relocation site for the Bikinians have been organized since the Council's last session. It hopes that it will be possible to find a speedy solution, taking account of the wishes of the populations concerned.

8. The Council notes with satisfaction that in the interval the provisional programme for improving conditions for the Bikinians on Kili and Ejit Islands has been continued. It regrets, in that regard, that the surveys undertaken on the construction of an all-weather dock produced negative conclusions. The Council notes, however, that the Administering Authority has, inter alia, embarked on a survey for the construction of a small airport on Kili Island.

9. The Council recommends that the Administering Authority ensure that all necessary measures are taken to remove the radiation hazards threatening the inhabitants of the Marshall Islands. At the current session, the representative of the Marshall Islands and petitioners representing the International League for Human Rights and the people of Bikini and Kili expressed their concern at the hazards resulting from nuclear weapon testing.

10. The Council expresses concern regarding the symptoms observed in the peoples who have been exposed to radiation. It recommends that this question be given close attention and that a medical team be sent to the spot, as envisaged, so that a thorough examination of all the inhabitants concerned can be undertaken.

11. In that regard, the Council notes with satisfaction that Public Law 96-205, which makes it binding on the United States Government to provide medical assistance for any ailments which may result, directly or indirectly, from nuclear weapon testing, was signed on 12 March 1980 by the President of the United States. The Council recommends that every effort be made to ensure that the report provided for by this law is submitted to the United States Congress by 1 January 1981.

12. The Council is still concerned about the situation on the island of Ebeye. It notes that, during the Visiting Mission arranged by the Council, the inhabitants of Ebeye described their problems, which are due to the overpopulation of the island, the inadequacy of health and communications systems and unemployment among young persons. The Council notes that some projects relating to the water supply system, the sewerage system and repair work on the roads and the hospital are to be undertaken in 1981.

War and post-war damage claims

13. The Trusteeship Council reiterates its concern that war damage claims have not yet been settled as determined by the Micronesian Claims Commission.

14. The Council notes the observation of the Visiting Mission sent to the Trust Territory in March 1980 that the failure to resolve the issue of Title I war claims continues to cause the inhabitants of Micronesia deep distress, which is detrimental to their otherwise close and friendly relations with the parties concerned. The Council is pleased to note that outstanding claims under Title II, as adjudicated by the Micronesian Claims Commission, have now been settled.

15. The Council notes the fears of many representatives of the Micronesian people, as expressed in statements to the Visiting Mission and reflected in statements to

the Council, that if a satisfactory solution were not reached before the termination of the Trusteeship Agreement, the outstanding claims under Title I might not be settled.

16. The Council once again appeals to those concerned to make a further urgent effort to resolve this long-standing issue in the best interests of its innocent victims and, in particular, reiterates its hope that a humanitarian solution will be achieved before the termination of the Trusteeship Agreement.

17. The Council recalls the statement made at the forty-sixth session of the Trusteeship Council by the representative of the United States that his Government and the Government of Japan were consulting on this issue and his belief that the two Governments could evolve a way to express their sympathetic concern for the people of Micronesia.

18. The Council is pleased to note the statement by the Permanent Representative of Japan to the United Nations, who asked to address the Council both in recognition of the fact that next year Micronesia will be assuming a new position in the international community, and in recognition that his country and Micronesia are neighbours in the Pacific with close historical, cultural and economic relations. He said that the people and the Government of Japan looked forward to exploring ways of further strengthening relations of friendship with Micronesia.

B. POLITICAL ADVANCEMENT

General political structure

19. The Council notes with satisfaction that, apart from legal matters, most of the day-to-day functions previously carried out by the Administering Authority have now been transferred to the new constitutional Governments. The Council notes, however, that the High Commissioner retains ultimate authority and responsibility for the Trust Territory (including responsibility for carrying out its international obligations) until termination of the Trusteeship Agreement.

20. The Council takes note of the referendum held in Palau on 9 July 1979 by which the electorate overwhelmingly endorsed the constitution drafted by the Constitutional Convention of Palau. The Council also takes note of the conclusion of the United Nations Visiting Mission sent to observe the referendum that the majority of voters came out in favour of the draft constitution, in accordance with regular procedures, in an atmosphere of calm and freedom and with full knowledge of the facts. The Council notes that the second referendum, held on 23 October, had the effect of confirming the result of the first referendum, and that the Palau Legislature intends to hold a final referendum in July 1980 to update and ratify this constitution.

Territorial government

Legislatures

21. The Council notes that, subject to ratification of the proposed constitution of Palau on 9 July 1980, constitutional elections will be held on 4 November 1980 and a new government will be installed on 1 January 1981. The Council welcomes the fact that with the establishment of constitutional government in Palau, there will be locally elected governments in charge of administration throughout the Trust Territory.

Executive

22. The Council welcomes the intention of the Administering Authority to divest itself as rapidly as possible of such matters as may reasonably be assumed by the new governments. The Council welcomes the progress made in the Marshall Islands and the Federated States of Micronesia towards transferring responsibility for functions in a wide variety of fields and is glad to note that the government of the District of Palau is now taking on a number of responsibilities previously held by the High Commissioner's office.

Civil service

23. The Council welcomes the steps that have been taken to encourage "micronization" in order to enable the people of the Trust Territory to obtain the necessary experience in all fields of public service before termination of the Trusteeship Agreement. The Council urges the Administering Authority to provide all possible intensive training programmes to prepare Micronesians for taking on new responsibilities, and hopes that specialists can be made available in technical and other specialized fields where necessary until qualified Micronesians have been trained to replace them.

24. The Council notes with regret that the size of the civil services throughout the Trust Territory remains a cause for concern, placing a heavy burden on territorial budgets and absorbing a disproportionate share of trained manpower. The Council urges the Administering Authority to give all possible assistance in creating jobs in the private sector, so that the civil service can be rationalized and reduced without exacerbating the unemployment problem.

Political education

25. The Council endorses the observations made on this subject by the Visiting Mission sent to Micronesia in March 1980. In particular, the Council notes the concern expressed by the Mission at the termination of the Education for Self-Government (ESG) programme and the Mission's hope that this would not be a final decision, in view of the need for such a programme to prepare the people for the plebiscite expected to take place early in 1981.

26. The Council takes note with interest of the statement by the Administering Authority that it is in substantial agreement with the observations made by the Visiting Mission on the need for additional political education before a plebiscite on future status is held in the Territory. The Council notes with interest the statement of the Administering Authority that it is willing to render appropriate assistance to the local governments to carry out political education.

Judiciary

27. The Council notes that section 5 of Secretarial Order No. 3039 provides for the transfer of judicial responsibilities to functioning courts established in accordance with the constitutions of the Federated States of Micronesia, the Marshall Islands and Palau. The Council welcomes the fact that in the Federated States of Micronesia, the nominations for two of the five judges to be appointed under the Constitution are currently being considered. The Council notes the difficulties experienced by the Government of the Marshall Islands in identifying and attracting appropriate candidates for judicial appointments, but welcomes the Government's determination to establish a judicial service system as soon as possible.

C. ECONOMIC ADVANCEMENT

General

28. The Trusteeship Council agrees with the Visiting Mission that Micronesia could only be self-sufficient if it radically reduced the standard of living of the population. In particular, the structural imbalances in the economy seem not to have been significantly reduced. Under the circumstances, it feels that now that the Micronesians are on the verge of choosing, or have already chosen, their own form of government, economic assistance to the Territory should be increased to enable the people to achieve a certain measure of self-determination. In this regard, it notes that the Micronesian economy seems to have been hard hit by the effects of inflation and energy price rises.

29. The Council notes that the Territory's exports amount in value to only one fifth of its imports. Inasmuch as the funds now derived from agriculture, handicrafts, fishing and tourism cannot increase rapidly to any significant degree, the Council urges the Administering Authority to promote the development of the kinds of production that can satisfy local needs, especially for food. It notes that the Administering Authority is providing assistance to the new entities, if requested, in order to develop local products, thereby discouraging purchases of similar products abroad.

30. The Council welcomes the inclusion of coconut oil in the Generalized System of Preference. It notes with satisfaction that customs duty on coconut oil, which has already been reduced by 25 per cent in 1980, will be finally eliminated on 1 January 1981.

31. The Council takes note of the Administering Authority's statement that a start has been made on the implementation of the five-year indicative plans established by the local governments, particularly in respect of the economic infrastructure.

32. The Council notes with satisfaction the High Commissioner's statement that the goals of the 1976 Five-Year Capital Improvement Programme should be met by next year.

33. The Council regrets that the second-level capital improvement programme, which was designed to ensure the development of the outer islands, is currently seen by the Administering Authority as being merely at the study stage.

34. The Council notes that certain parts of the Territory are experiencing difficulties in obtaining proper water and electricity supplies.

Public finance

35. The Council notes that the local authorities are given the opportunity to determine their programme priorities within budgetary limits.

36. The Council took note with interest of the table of budget estimates for 1979/80 and 1980/81 submitted by the Administering Authority. According to the information provided, the Administering Authority will maintain the level of subsidies to the three entities. However, some Micronesian representatives believe that these subsidies will be insufficient to cover the expenses that they expect to be incurred during the transitional period.

37. The Council takes note of the statement of the representative of the Federated States of Micronesia on the complexity of the present financial management system. It notes with interest that the expert whose services the Administering Authority has retained will assist the governments concerned in rationalizing the financial management system and facilitating budget preparation and accounting.

38. The Council reiterates its view that the Territory's system of taxes and duties should be designed to discourage the import of goods and products which could be obtained locally.

Assistance from international institutions and other countries

39. The Council strongly encourages the leadership of the Territory to develop relations with the various regional and international agencies.

40. The Council also notes with satisfaction the assistance provided by WHO under the three-year health development programme launched in 1979, with particular reference to the training of medical and paramedical personnel and the granting of fellowships. Thanks to action by WHO, it has also been possible to reduce mortality

from certain diseases, to improve child feeding, and to give the community a hand in controlling diseases itself. In conjunction with the South Pacific Commission (SPC) nutrition and health education training courses were organized last year. The Council is encouraging the entities to pursue these activities.

41. The Council notes with satisfaction the efforts undertaken by the Governments of the Territory to forge links and develop co-operation with other States in the region.

Credit

42. The Council takes note of the ongoing restructuring of the Territory's Economic Development Loan Fund, which has the role of overseeing the establishment of development banks within the new entities.

Land

43. The Council notes with satisfaction that the transfer of public land to local authorities has been completed, with the exception of small areas of Palau where there are still some administrative difficulties.

44. The Council notes that the Territorial Government has not yet found the funds to finance the purchase or leasing of land which it currently holds under indefinite use agreements.

Agriculture and livestock

45. The Council believes that the expansion of agricultural and livestock production to meet the needs of the population is a matter of priority. In addition, it requests the Administering Authority to promote export-oriented agriculture.

46. The Council hopes that the study on the development of pepper plantations on Ponape and the Truk broiler project will soon be completed.

47. The Council noted the distribution of a new variety of coconut trees and urges the Administering Authority to continue its effort to improve the yield of coconut plantations in order to guarantee supplies for the two copra processing plants in the Territory.

48. The Council notes with interest that the Administering Authority has ordered equipment for two sawmills in order to begin exploiting the forestry resources of Ponape and Kosrae.

49. The Council notes that the programme to repair the damage wrought by typhoon "Alice" will be completed in the next few months.

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Marine resources

50. The Council notes with satisfaction that the three maritime authorities of the Federated States of Micronesia, the Marshall Islands and Palau, respectively, are working to strengthen their legislation on the protection of the 200-mile zones. It takes note of the Administering Authority's intention of extending assistance to ensure respect for the rights of the Micronesians over the 200-mile zones.

51. The Council welcomes the results of the Honolulu Conference, held in May, at which the three entities were able to negotiate as a unit with American deep-sea fishing interests. It notes with interest the initialling of the fishing agreement between the Marshall Islands and the Japanese Government.

52. The Council notes with satisfaction that the Administering Authority is paying constant attention to projects for improving the exploitation of marine resources. It particularly welcomes the services of the Research Center set up in Palau.

53. The Council hopes that the three entities will become members of the proposed South Pacific regional fisheries association at the earliest opportunity.

Third United Nations Conference on the Law of the Sea

54. The Trusteeship Council notes that the Trust Territory delegation to the Third United Nations Conference on the Law of the Sea during the year under review has been composed of representatives of the Federated States of Micronesia, the Marshall Islands and Palau.

55. The Council notes with interest the endorsement by representatives of the Federated States of Micronesia and the Marshall Islands of an informal proposal submitted on 20 March 1980 by the Philippines and the Solomon Islands concerning parties signatory to the Convention.

Light industry

56. The Council reiterates its concern at the absence of small industrial enterprises in the Territory.

Tourism

57. The Council feels that Micronesia can be considered an attractive region for tourism. It notes a 26-per-cent increase in the tourist trade in the past year.

58. The Council shares the opinion of the Visiting Mission and the view expressed in the five-year development plan that tourism could only be developed gradually, with a carefully prepared over-all plan. It notes in this respect that in order to set up a tourist industry there would have to be a well-developed infrastructure

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(roads, water supply, electricity, hotels), as well as a potential tourist market.

59. While welcoming the expansion of the tourist industry, the Council reiterates the hope that the interests of the population and the existing social structures will be safeguarded and the environment preserved.

Transport and communications

60. The Council shares the view of the Visiting Mission that transport and communications continue to be a serious problem in the Territory.

61. The Council notes with interest that the seven new ships plying between the various islands are operating satisfactorily.

62. It notes with satisfaction that the management of three ships has been transferred to the Government of the Marshall Islands and that of the remaining four ships to the Federated States of Micronesia.

63. The Council notes with satisfaction that the new docks at Majuro and Yap have been completed and that construction work on the Kosrae dock should start soon. It expresses the hope that the necessary funds for the construction of docks in Truk and Palau will soon be forthcoming.

64. The Council takes note with interest of the application by Continental Airlines for additional rights of access to Japan.

65. The Council notes with satisfaction that the expansion of Truk International Airport is under way, that further improvements will be made this year to the Ponape and Palau airports, and that airports will be built at Yap and Kosrae.

66. The Council notes with regret that the road network remains inadequate in certain parts of the Territory.

67. The Council notes that the Territory's inhabitants wish to see the development of a satellite communications system to improve communications within Micronesia and with the outside world.

Co-operatives

68. The Council notes that the co-operative functions of the Trust Territory have been transferred to the respective entities.

D. SOCIAL ADVANCEMENT

Medical and health services

59. The Trusteeship Council welcomes the establishment of a Health Manpower Training Program for the Trust Territory. The Council notes that the programme, which is located in Ponape, offers courses of study in all aspects of health care, including special training in psychiatry at the School of Medicine, University of Hawaii.
70. The Council notes that the Government of the Marshall Islands has concluded an agreement with the Seventh-day Adventist Mission in Guam for the latter to take over the control and management of health services from the Ministry of Health Services.
71. The Council notes that the health services in Micronesia are still experiencing difficulties in recruiting suitably qualified Micronesian doctors and endorses the suggestion by the 1980 Visiting Mission that the territorial governments might wish to consider offering incentives to encourage young people to study medicine.
72. The Council notes with regret that from 1978 to 1979 the number of dispensaries in the Trust Territory declined owing to a lack of funds and personnel. The Council notes that dispensaries are the corner-stone of the health services in the Trust Territory and endorses the observation of the Visiting Mission that the reduction in the MEDEX staff constitutes a false economy since it merely increases the number of medical referrals.
73. The Council is pleased to note that the Administering Authority has authorized an appropriation of \$US 24.4 million for health services in the Northern Mariana Islands and that the hospital at Majuro, Marshall Islands, has been substantially improved as an interim measure until a new hospital is built.
74. The Council notes that one of the major problems in the field of health care continues to be the high cost of maintenance. The Council endorses the observations of the 1976 and 1980 visiting missions that greater care should be taken to ensure that facilities under construction are built to last for a reasonable number of years. In this connexion, the Council reiterates the recommendation of the 1980 Visiting Mission that local materials should be used as much as possible, both to encourage use of local resources and to avoid costly importation of materials which are not appropriate for the climate.
75. The Council takes note of the 1980 Visiting Mission's observation on the efforts of the Administration to reduce the number of referrals for medical treatment outside the Territory by sending specialists to the various hospitals in the islands to perform operations or give advanced medical treatment on the spot. The Council agrees with the Mission that this might well be a cost-effective system, and could be less disruptive for the patients.

76. The Council commends the Administering Authority for its continuing efforts to improve health standards in the Trust Territory. The Council notes that statistics provided by the Administering Authority show a marked reduction in occurrence of major diseases in the islands, reflecting the success of the vaccination programmes carried out in the Trust Territory, and notes with satisfaction the decline in the mortality rate due to intestinal diseases. However, the Council urges the Administering Authority to make every effort to meet the shortage of drugs and other medical supplies which currently hampers health services in the Trust Territory.

Community development

77. The Council is pleased to note the impressive examples of community action observed by the 1980 Visiting Mission at Tol, (Truk) and Western Babelthau (Palau). The Council endorses the Mission's hope that the people of Micronesia will recognize the need to participate more actively in community projects and reiterates the Mission's observation that there is still too much reliance on external aid for financing community activities.

Labour

78. The Council continues to be concerned with the serious unemployment problem and the imbalance between wage-earners employed in the public sector and those employed in the private sector.

Housing

79. The Council commends the Administering Authority for its low-cost housing programmes but notes the 1980 Visiting Mission's observation that 36 per cent of the estimated 13,000 housing units in the Trust Territory are in poor condition. The Council calls upon the Administering Authority to pay due attention to the possibility of using local materials in future construction programmes so that high maintenance costs can be avoided and Micronesian manpower employed to the full.

Youth questions

80. The Council endorses the observation of the 1980 Visiting Mission that the Outward Bound programme and similar schemes should be expanded. These programmes encourage enterprise and self-reliance and will help Micronesians overcome the related problems of youth unemployment and youth delinquency. The Council commends the Administering Authority for its encouragement of these schemes.

Peace Corps

81. The Council endorses the positive appraisal by the 1980 Visiting Mission of the Peace Corps programme in Micronesia. It notes with satisfaction efforts by the Peace Corps to promote self-sufficiency.

E. EDUCATIONAL ADVANCEMENT

General

82. The Trusteeship Council notes that the 1980 Visiting Mission was told on a number of occasions that the policy of the Administering Authority with respect to education has been particularly commendable and the Council reaffirms its satisfaction with the record of the Administering Authority, notably in the provision of universal instruction at the primary level and in the high rate of secondary school attendance.

83. The Council reiterates the hope that students will be encouraged to choose areas of study which will equip them to assist in the development of Micronesia. Visiting missions to the Territory have consistently urged that greater emphasis be given to vocational and technical training, and the Council notes that the importance of providing such training appears to be recognized increasingly throughout the Trust Territory.

84. The Council notes the 1980 Visiting Mission's observation that there is concern in Micronesia at the increasing number of suicides by young people, many of whom were reported to be unemployed high-school graduates or high-school drop-outs. The Council notes that hard-earned qualifications might not automatically assure career opportunities in the Trust Territory and reiterates the Visiting Mission's observations that educational policy planning should be directed to subjects which will offer satisfactory chances of employment in the Territory.

Primary and secondary education

85. The Council notes the observation of the 1980 Visiting Mission that, as in the case of hospitals, many schools which had been highly praised by previous missions had since fallen into disrepair. The only solution to this problem would be for the cost of maintenance to be provided for in the budget for all future government projects. The Council further calls on the Administering Authority to give priority to training the local population to carry out maintenance work.

86. The Council considers the Administering Authority's achievement in establishing free elementary education all the more noteworthy given the problems of maintaining such a system on islands which are often situated at great distances from the main population centres. Now that elementary education is universal, the Council hopes that the future thrust of educational policies will be directed towards improving the quality of teaching. In particular, the Council calls on

the Administering Authority to focus on the inadequate qualifications of the majority of teachers in the Trust Territory and would welcome the initiation of further intensive training programmes before termination of the Trusteeship Agreement.

87. The Council notes with interest plans to form an English teaching unit in the Trust Territory modelled on the SPC/Tate language development programme.

88. The Council notes the 1980 Visiting Mission's observation that the quality of the facilities and instructional materials of the secondary schools is more satisfactory than that of the elementary schools.

89. The Council notes the observation of the 1980 Visiting Mission that in view of the high quality of instruction provided at private schools the authorities should make a greater effort to assist them in overcoming their current financial difficulties.

90. The Council endorses the view expressed by the 1980 Visiting Mission that education in the Trust Territory should encourage as much as possible the development of a Micronesian identity. In this connexion, the Council endorses the Mission's satisfaction with projects such as the Marshalls Traditional Culture Heritage (MATCH) and those promoted by the Curriculum Development Center, in Delap, Majuro. Equally, the Council agrees with the observation of the Mission that the search for local identity should not overshadow the requirements of the modern world and that the English language remains for most Micronesians the only way of communicating among themselves and with the outside world.

Higher education

91. The Council endorses the suggestion of the 1980 Visiting Mission that the educational authorities in the Trust Territory consider introducing pre-college courses for students to prepare them for higher education studies abroad.

92. The Council notes with concern the statement by President Nakayama of the Federated State of Micronesia, concerning the inadequate and deteriorating physical conditions at the College of Micronesia in Ponape.

93. The Council welcomes the Special Service Project (Project MICRO), established under Title IV of the Higher Education Act, under which the Administering Authority has been able to offer places to 22 Micronesian students on behalf of higher educational institutions in the western part of the United States.

Vocational training

94. The Council welcomes vocational programmes such as the Micronesian Trades Apprenticeship Program and the Young Adult Conservation Corps. The Council

endorses the Mission's concern that such programmes should be kept under continuous review to ensure that they are up to date with current needs in the labour field.

Teacher training

95. The Council notes the observation of the 1980 Visiting Mission that the teaching profession cannot compete with the Civil Service which offers better financial prospects. The Council therefore hopes that some programme of incentives can be instituted to improve the level of teaching before the termination of the Trusteeship Agreement.

F. CONSTITUTIONAL DEVELOPMENTS AND PROGRESS
TOWARDS SELF-GOVERNMENT OR INDEPENDENCE

96. The Trusteeship Council reaffirms the inalienable right of the people of Micronesia to self-determination, including the right to independence in accordance with the Charter of the United Nations and the Trusteeship Agreement.

97. The Council notes that in Palau, the Constitution drafted by the Constitutional Convention was endorsed by an overwhelming majority of the voters in a referendum held on 9 July 1979 and observed by a United Nations visiting mission. It regrets that the establishment of constitutional government in Palau has been delayed and expresses the hope that a solution will be found, in accordance with the democratically expressed will of the people, which will enable constitutional development to proceed.

98. The Council notes with interest the statements of the Administering Authority concerning the status of the negotiations on free association which have been undertaken with the Micronesians on the basis of the Hilo agreement of 1978.

99. The Trusteeship Council notes that negotiations took place at Kona, Hawaii, from 7 to 14 January 1980, in the course of which the future political status of Micronesia was discussed by the representatives of the Marshall Islands and the Federated States of Micronesia, the observers from Palau and the Personal Representative of the President of the United States.

100. The Council notes in this regard the statement of the Secretary for Foreign Affairs of the Marshall Islands that agreement had been reached with the United States on the question of the settlement of disputes on environmental matters and his Government was satisfied that its concerns had been fully met.

101. The Council notes that the President of the Marshall Islands and the Personal Representative of the President of the United States initialled the compact of free association between the Marshall Islands and the United States.

102. It notes that the representatives of the Federated States of Micronesia were not in a position to initial the compact until a national and State-level review process had been completed.

103. The Council also notes the establishment in March 1980 of the Palau Commission on Status and Transition. The Commission is scheduled to meet representatives of the Administering Authority on Guam shortly.

104. The Council notes with interest the statements of the representatives of the entities of the Territory who, like last year, emphasized their desire to maintain preferential and close relations with the Administering Authority after the termination of the trusteeship.

105. The Council hopes that the ongoing negotiations between the Administering Authority and the Micronesian parties concerned will lead to a mutually satisfactory

outcome which respects the personality of every party. It hopes that the Administering Authority will keep it informed of the status of the discussions.

106. The Council notes that, once the compact of free association is signed, the Government of the United States and the governments of the entities will submit it to a referendum, which will be held simultaneously in each of the areas to which the compact applies early next year. It takes note with interest of the stated intention of the Administering Authority to invite the international community to observe the referendum through the intermediary of the appropriate United Nations organs.

107. The Council strongly reiterates its opinion that all the people of Micronesia should be given the fullest opportunity, before the referendum, to inform themselves about the various political choices open to them, including independence.

108. As in previous years, the Council does not wish to make precise recommendations on the future political status of the various Micronesian entities. It reiterates its view that free association is an option that is not incompatible with the Trusteeship Agreement, provided that the populations concerned have freely accepted it.

109. The Council takes due note of the intention of the United States to conclude the negotiations and seek termination of the Trusteeship Agreement by 1981.

110. It notes with interest the statement of the United States representative that his Government intends to proceed in a manner fully consistent with the Charter of the United Nations and to take up the matter of termination of the Agreement at the appropriate time with the Trusteeship Council and the Security Council.

111. The Council urges the Administering Authority to consider maintaining the amount of its aid, after the end of its mandate, at a level comparable to that which obtains at present.

112. The Council notes with interest the suggestion of the Governor of the Northern Mariana Islands that the year 1981 be declared "The Year of the Pacific".

113. The Council again expresses the hope that the Micronesians will take all necessary steps to establish, after termination of the trusteeship, the all-Micronesian entity which they agreed upon at Molokai in October 1977.
