



REPORT OF THE TRUSTEESHIP COUNCIL TO THE SECURITY COUNCIL
ON THE TRUST TERRITORY OF THE PACIFIC ISLANDS
9 June 1978 - 15 June 1979

SECURITY COUNCIL OFFICIAL RECORDS

THIRTY-FOURTH YEAR
SPECIAL SUPPLEMENT No. 1

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INTRODUCTION

1. In accordance with Article 83 of the Charter of the United Nations, with resolution 70 (1949) adopted by the Security Council at its 415th meeting, on 7 March 1949, and with its own resolution 46 (IV) of 24 March 1949, the Trusteeship Council has carried out on behalf of the Security Council those functions of the United Nations under the International Trusteeship System relating to the political, economic, social and educational advancement of the inhabitants of the Trust Territory of the Pacific Islands, designated as a strategic area.

PART I. ORGANIZATION AND ACTIVITIES OF THE TRUSTEESHIP COUNCIL

A. ORGANIZATION OF THE COUNCIL

Membership

2. The composition of the Trusteeship Council on 1 January 1979 was as follows:

Member administering a Trust Territory

United States of America

Members mentioned by name in Article 23 of the Charter of the United Nations and not administering Trust Territories

China

France

Union of Soviet Socialist Republics

United Kingdom of Great Britain and Northern Ireland

Officers

3. Mr. Jean-Claude Brochenin (France) was elected President at the beginning of the fourteenth special session, on 12 February 1979. Ms. Sheila Harden (United Kingdom), who served as Vice-President during the forty-fifth session of the Council, continued to act in that capacity during the fourteenth special session.

4. Ms. Harden and Mr. Brochenin were elected President and Vice-President, respectively, at the beginning of the forty-sixth session, on 21 May 1979.

Meetings

5. During the period covered by this report, the Council held 14 meetings, as follows:

(a) Fourteenth special session (1482nd and 1483rd meetings), 12 and 15 February 1979;

(b) Forty-sixth session (1484th to 1495th meetings), 21 May to 15 June 1979.

All meetings took place at United Nations Headquarters, New York.

Procedure

6. No change affecting the procedure for the examination of conditions in the Trust Territory of the Pacific Islands was made by the Council during the period under review.

Relations with the specialized agencies

7. Representatives of the International Labour Organisation (ILO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Health Organization (WHO) participated in the work of the Council at its fourteenth special session. Representatives of UNESCO and WHO participated in the work of the Council at its forty-sixth session.

B. EXAMINATION OF THE ANNUAL REPORT OF THE ADMINISTERING AUTHORITY FOR THE YEAR ENDED 30 SEPTEMBER 1978: TRUST TERRITORY OF THE PACIFIC ISLANDS

8. The report of the Government of the United States on the administration of the Trust Territory of the Pacific Islands for the year ending 30 September 1978 1/ was transmitted to members of the Trusteeship Council on 23 April 1979 by a note of the Secretary-General (T/1803) and placed on the agenda of the Council at its forty-sixth session.

9. The Trusteeship Council began its examination of the annual report at its 1484th meeting, on 21 May 1979. At the same meeting, and at the 1485th meeting, on the same day, the representatives of the United States and the Special Representatives of the Administering Authority, Mr. Juan A. Sablan, Deputy High Commissioner of the Trust Territory, and Mr. Carlos S. Camacho, Governor of the Northern Mariana Islands, made opening statements. Speaker Sadang Silmai, of the Palau Legislature, Senator Benjamin T. Manglona of the Northern Mariana Islands Commonwealth Legislature and Mr. Anton DeBrum of the Government of the Marshall Islands, Special Advisers to the United States delegation, also made statements. Senator Bailey Olter of the Congress of the Federated States of Micronesia, who also served as Special Adviser to the United States delegation, made a statement at the 1486th meeting, on 22 May 1979.

1/ 1978 Trust Territory of the Pacific Islands, October 1, 1977 to September 30, 1978, Thirty-first annual report to the United Nations on the administration of the Trust Territory of the Pacific Islands. Transmitted by the United States of America to the United Nations pursuant to Article 88 of the Charter of the United Nations (Department of State Publication 8972, Guam).

10. At the 1488th and 1489th meetings, on 24 and 25 May, and the 1490th meeting on 29 May, questions were put to the representatives of the United States, the Special Representatives, the special advisers and advisers by members of the Trusteeship Council. At its 1490th and 1491st meetings, on 29 and 30 May, the Council held a general debate on conditions in the Trust Territory.

11. At the 1492nd meeting, on 30 May, the Council appointed a Drafting Committee, composed of the representatives of France and the United Kingdom, to propose, on the basis of the discussion which had taken place in the Council, conclusions and recommendations on conditions in the Trust Territory and to make recommendations concerning the chapter on conditions in that Territory for inclusion in the Council's report to the Security Council.

12. At its 1494th and 1495th meetings, on 13 and 15 June, the Council considered the report of the Drafting Committee. ^{2/} At the 1494th meeting, the representative of France, on behalf of the Drafting Committee, introduced the following revisions to the draft conclusions and recommendations annexed to the report:

(a) The text of paragraph 16 was inserted after paragraph 36;

(b) Paragraph 34, which read:

"The Council notes with satisfaction that the Administering Authority has extended to the Territory a generalized system of tariff preferences, as have Canada and Japan. However, it urges that coconut oil should be included in that tariff, as requested by the High Commissioner himself, and it requests the Administering Authority to continue its efforts to obtain similar benefits from other countries."

was replaced by:

"The Council notes with satisfaction that the Administering Authority has extended to the Territory a generalized system of tariff preferences, as have Canada and Japan. It requests the Administering Authority to continue its efforts to obtain similar benefits from other countries. Furthermore, it urges the Administering Authority to include coconut oil in its system of tariff preferences, as requested by the High Commissioner himself."

(c) In paragraph 90, line 3, the word "however" was inserted after the word "notes".

13. At the 1495th meeting, the representative of the United Kingdom introduced the following revisions to the draft conclusions and recommendations annexed to the report of the Drafting Committee:

(a) At the end of paragraph 36, the following new sentence was added:

^{2/} Official Records of the Trusteeship Council, Forty-sixth Session, Sessional Fascicle, annexes, document T/L.1219. For the text of the conclusions and recommendations adopted, as revised, see paras. 650-751 below.

"The Council hopes nevertheless that the Administering Authority will consider whether further elements of the second-level capital development programme ought to be revived and carried out."

(b) Paragraph 52, which read:

"The Council expresses its sympathy with the inhabitants of the Northern Mariana Islands, some of whose crops were destroyed by a cyclone."

was replaced by:

"The Council expresses its sympathy with the inhabitants of the Marshall Islands and the Northern Mariana Islands who suffered loss from cyclones during the year."

(c) In paragraph 92, line 2, the words "in consequence of the result thereof" were inserted after the word "and".

(d) In the last sentence of paragraph 92, the words "consultations the" were replaced by the words "referendums, those".

14. At the same meeting, the Council adopted the draft conclusions and recommendations annexed to the report of the Drafting Committee, as orally revised, by 2 votes to 1, with 1 abstention ^{3/} and decided to include them in its report to the Security Council (see paras. 649-751 below).

15. At the same meeting, the Council, on the recommendation of the Drafting Committee, adopted the revised working paper on conditions in the Trust Territory of the Pacific Islands (T/L.1214 and Add.1) as the basic text for the relevant sections of its report to the Security Council (see part II below, sects. A-F).

16. The Trusteeship Council adopted, at the same meeting, the report of the Drafting Committee as a whole, as orally revised, by 2 votes to 1, with 1 abstention .

17. At the same meeting, the representative of the Union of Soviet Socialist Republics, in explanation of his negative vote, noted that the report of the Drafting Committee did not reflect the factual situation in the Trust Territory. It contained many provisions and conclusions which were in sharp contrast to the real situation in the Territory and were not in keeping with the main principles of the Charter of the United Nations, the provisions of the Trusteeship

^{3/} See document T/PV.1495 for the results of the voting on the individual sections of the draft conclusions and recommendations.

Agreement or the Declaration on the Granting of Independence to Colonial Countries and Peoples. There was an attempt in the report to draw an almost ideal picture of the development of the Trust Territory in almost every direction. It was filled with undeserved praise for the Administering Authority and was actually intended further to encourage the illegal actions of the United States in dismembering the Trust Territory and imposing upon individual parts of that Territory various degrees of dependence on the United States.

18. The representative of the Soviet Union said that an example of the violation of the territorial integrity of the Trust Territory by the Administering Authority was the event which had taken place in 1975 in the Mariana Islands when those islands had been separated from the rest of the Trust Territory. The referendum held in the Marshall Islands in 1979 and the intention to conduct one in Palau in July 1979 were further examples of violations of the integrity of the Trust Territory. The dispatch of visiting missions by the Trusteeship Council to observe those illegal measures did not change their illegal nature and made the Council an accomplice in those illegal referenda.

19. The delegation of the Soviet Union had already drawn attention to the fact that the referendum on a constitution for the Federated States of Micronesia in which the majority of the population had supported the constitution might have been an essential step for the Micronesians towards the exercise of their inalienable right to freedom, independence and a unified Micronesia. However, the results of that referendum had been wrongly interpreted not only by the Administering Authority but also by the United Nations Visiting Mission to observe the referendum in the Trust Territory of the Pacific Islands, 1978. 4/

20. The representative of the Soviet Union said that under conditions of strict secrecy and with pressure being exerted on the Micronesians, so-called negotiations were being held on the future status of individual parts of Micronesia. The Micronesians participating in the negotiations had repeatedly voiced their complaints in the Trusteeship Council at the pressure being put on them by the Administering Authority in those negotiations.

21. The representative of the Soviet Union stated that, according to the Charter, any change in the status of a strategic Trust Territory must be made only by a decision of the Security Council, and unilateral actions by the United States with respect to the entire Trust Territory or individual parts of it could not be acknowledged as legitimate or as having legal force.

22. The representative of the Soviet Union pointed out that a very serious problem faced the populations of Bikini, Rongelap, Utirik and Enewetak as a result of many years of tests of atomic and hydrogen weapons. Those tests had involved serious consequences both for the residents of those islands, who had been moved to other islands, and for the entire Territory. Many years had passed since those nuclear tests had been concluded, but the situation of the former residents of those islands still remained very serious. The testimony of

4/ Official Records of the Trusteeship Council, Forty-sixth Session, Supplement No. 2 (T/1795).

the Micronesians had shown that the measures taken thus far by the Administering Authority in that regard were clearly insufficient. Meanwhile, the recommendations proposed to the Council did not accurately reflect that situation.

23. The delegation of the Soviet Union was dissatisfied with the sections of the report on economic and social conditions in the Trust Territory. Although the report stated that the development of the Territory's economy was at a low level and depended on subsidies from the Administering Authority, it did not draw correct conclusions.

24. The representative of the United States, in explanation of his vote, said that it was customary for the Administering Authority to abstain in the vote on the conclusions and recommendations inasmuch as they were addressed to the Administering Authority. He assured the Council, however, that, as in the past years, his Government would study those conclusions and recommendations with great care and would give them full consideration.

25. The representative of France said that in the statement made by the representative of the Soviet Union, France had been implicitly accused of encouraging illegal activities of the Administering Authority and of being an accomplice to those activities. While the French representative acknowledged that France did offer encouragement, that encouragement was directed to the people of Micronesia to exercise their right to self-determination. He said that France was indeed an accomplice to the exercise of the right to self-determination by the people of the Trust Territory.

26. The Trusteeship Council considered its draft report to the Security Council (T/L.1218) at its 1495th meeting, on 15 June, in the course of which it decided to replace section I, part one, of the report, entitled "Other questions considered by the Trusteeship Council", by the following:

- I. Co-operation with the Committee on the Elimination of Racial Discrimination: Decade for Action to Combat Racism and Racial Discrimination
- J. Dissemination of information on the United Nations and the International Trusteeship System in Trust Territories
- K. Offers by Members States of study and training facilities for inhabitants of Trust Territories

27. The Council further decided to include in the appropriate sections of the report subsections entitled "Discussion in the Council and opinions expressed", which would consist of the statements made during the session by delegations, including representatives, special representatives and special advisers of the Administering Authority. The Council also decided, at the same meeting, to add to those sections the contents of document T/L.1214/Add.2-4.

28. The Trusteeship Council adopted the draft report to the Security Council, as revised, by 3 votes to 1.

29. The representative of the United States, in explanation of his vote, said that although his delegation had voted in favour of the report of the Trusteeship Council in its entirety, it had taken no position on the recommendations and conclusions of the report (see also para. 24 above).

30. The representative of the Union of Soviet Socialist Republics, in explanation of his negative vote, said that the statement made by his delegation (see paras. 17-23 above) before the vote on the report of the Trusteeship Council to the Security Council fully referred to the report itself.

C. EXAMINATION OF PETITIONS

31. During its examination of the annual report of the Administering Authority on the Trust Territory of the Pacific Islands (T/1803), the Trusteeship Council heard 12 petitioners whose requests for oral petitions had been circulated in documents T/PET.10/138, T/PET.10/139 and Add.1, T/PET.10/140 and T/PET.10/142-T/PET.10/147. A summary of the statement made by each of the petitioners is given below:

(a) Mr. Hencki Balcs, an elected representative of the people of Bikini, to the Marshall Islands Nitijela (Legislature), reiterated the views of his people with regard to the long-standing resettlement problems facing them. He said that they could not afford to wait any longer and that an immediate solution for their problems must be sought (T/PV.1486).

(b) Mr. Jonathan Weisgall, speaking also on behalf of the people of Bikini, outlined the resettlement problems that had faced Bikinians since 1946 when their islands had been selected for atomic and nuclear tests. Referring to recent surveys undertaken in Bikini to measure its safety, Mr. Weisgall said that the Bikinians wished to request an independent review by an international committee of scientists of the results and conclusions of the 1978 radiological survey of the northern Marshall Islands conducted by the United States. He maintained that the United States was responsible for the losses and needs of the people of Bikini. A compact of free association between Micronesia and the United States should recognize the continuing obligation of the United States to provide for the needs of Bikinians following the termination of the Trusteeship Agreement (T/PV.1486).

(c) Mr. Roger N. Baldwin, speaking for the International League for Human Rights, expressed his concern over the attempt by the Administering Authority to divide the Trust Territory and the people in order to promote its interests. The "actual annexation" of the Northern Mariana Islands was a shocking development in terms of the Trusteeship Agreement. The Council should attempt to correct the further fragmentation of Micronesia because the ultimate decision regarding the future of Micronesia, with the option of independence, depended upon the unity of the people.

(d) Mr. William Alexander, speaking on behalf of the International League for Human Rights, commented that it was possible to promote economic advancement without promoting self-sufficiency of the people and stated that he feared that that was in fact what the United States had done with regard to Micronesia. He believed that Micronesia would be economically dependent after the termination of the Trusteeship Agreement. Referring to the social and economic impact of federal programmes, he expressed concern about the social problems resulting from economic dependence and those which might develop after the trusteeship period was over. He referred to the situation on the island of Ebeye and described the complex socio-economic problems facing the people, which included overcrowding, poor nutrition, alcohol abuse and a high suicide rate. Mr. Alexander, indicating that his comments regarding Ebeye had illustrated the complex changes and

associated problems which were occurring in Micronesian societies, said that there was much that remained to be known about those problems, both by governmental agencies and by the people themselves. In that regard, he recommended that the United Nations sponsor a comprehensive analysis of the state of the Micronesian societies. Such a study could be conducted by a co-ordinated group of scientists, working independently of the Administering Authority. The purpose of the study would be to determine what had happened to the Micronesian societies during the trusteeship period, what the major social problems were now, and what they were likely to be in the post-trusteeship period and to make suitable recommendations to the Trusteeship Council.

(e) Mr. Glenn Alcalay, speaking also on behalf of the International League for Human Rights, referred to the "violation of the human rights" of the Marshallese people who had been exposed to radioactive fallout when the United States conducted atomic tests on their islands. He reiterated a request made by a member of the Congress of Micronesia on 26 January 1972, during a session of that Congress, requesting that WHO be called upon to conduct a radiological survey. Mr. Alcalay recommended that the Trusteeship Council should request an independent epidemiological/radiobiological survey through WHO, with the possible collaboration of Japanese doctors and scientists. Further, a survey should be conducted of the local environments and ecologies of the atolls affected by the radioactive fallout. Finally, a bilingual manual - in both English and Marshallese - should be prepared and published containing the results of the epidemiological and radiological surveys conducted by WHO (T/PV.1486).

(f) Father William T. Wood, representing a coalition of United States religious and academic organizations and individuals, said that their initial assessment of the United States record led them to conclude that the trusteeship obligation of the Administering Authority had not been fulfilled. According to Father Wood, the coalition had been formed in response to issues of justice and human rights to which its attention had been drawn by the Pacific Conference of Churches, an organization of Roman Catholic and Protestant Churches in the Pacific. The Pacific Conference was convinced that the United States had impeded the process through which Micronesians might fully realize their right to self-determination and human fulfilment. An immediate concern raised by the coalition in talks with United States officials had been that the new status agreement would actually ensure relationships which fully respected and protected the rights of the Micronesians as defined in the Charter of the United Nations, the Trusteeship Agreement and the Universal Declaration of Human Rights. The status agreement should not perpetuate United States control. It should provide adequately for the political, economic, social and educational advancement of the people of Micronesia. It was vitally important that the Trusteeship Council vigorously exercise its responsibility to monitor the role of the United States in Micronesia. The coalition urged that the Trusteeship Council include in the mandate of its visiting mission in 1980 the responsibility to assess fully the fulfilment by the United States of its obligations under the Charter and the Trusteeship Agreement (T/PV.1486).

(g) Mr. Santos Olikong, Chairman of the Palau Special Committee on War Damage Claims Settlements, said that it was the wish of the people of Palau, as it was of the peoples of the Northern Mariana Islands, the Central Caroline Islands and the Marshall Islands, that complete payment of all the adjudicated claims and awards made under the Micronesian Claims Act of 1971 (United States Law 92-39) be

effected as soon as possible. Actual appropriation to satisfy all adjudicated claims under Title II of that Act had currently been made by the United States. The authorization for the settlement of the claims under Title I had, however, been made conditional upon payment by the Government of Japan of its share under that Title. Mr. Olikong said that it was the view of the Government of Japan that the Micronesian war damage claims had been settled fully by the Executive Agreement signed between it and the United States in 1969. He recalled, however, that neither the people of Micronesia nor their leaders had been consulted during the negotiations that had culminated in that Agreement. Mr. Olikong sought the intervention of the Council on their behalf and on behalf of the many Micronesian claimants who deserved justice and the equitable resolution of their war damage claims which had for so long remained unsatisfied. They sought the help of the Council to urge the Government of Japan to consider and provide further ex gratia contributions to settle fully and pay final awards under Title I (T/PV.1487).

(h) Mr. Tosiwo Nakamura, Chairman of the Palau Post-Convention Committee, in introducing their Legal Counsel, Mr. Carlos Salii, to speak on their behalf, said that they represented not only the former members of the Palau Constitutional Convention and the Palau Post-Convention Committee but also countless numbers of ordinary citizens of Palau, citizens who had neither the opportunity nor the means to appear before the Trusteeship Council but who were nevertheless convinced of their right to self-determination (T/PV.1487).

(i) Mr. Carlos Salii, member of the Palau Post-Convention Committee and Legal Counsel, said that the Palau Legislature had passed a bill which had become Public Law No. 6-5S-1, calling for a constitutional convention for Palau. Extensive public hearings had been conducted by a committee of the Legislature in 14 of the 16 municipalities in Palau prior to the adoption of that bill. Public Law 6-5S-1 had therefore reflected the wishes of the people. Towards the end of the Convention, Mr. Peter Rosenblatt, the Personal Representative of the President of the United States to the Micronesian Status Negotiations, had transmitted a message to the Convention delineating the areas of concern to his Government. The Convention had made the necessary accommodations to the degree they had felt was proper to protect the interests of both Palau and the United States. On 2 April 1979, 35 of the 38 delegates to the Convention had signed the proposed constitution. Mr. Salii recalled a statement made by Mr. Mr. Rosenblatt in the Palau Legislature on 30 April 1979, following which bill No. 1140, among others, had been introduced in the Legislature. The purpose of the bill had been to declare the proposed constitution null and void. A substantial number of legislators denied the Legislature the necessary quorum by walking out of the session. The people of Palau viewed the statement by Mr. Rosenblatt as a direct interference in the fundamental right of the people of Palau to self-determination. According to Mr. Salii, while the Personal Representative of the President had claimed that ratification of the proposed constitution amounted to a rejection of a compact of free association with the United States, the constitution was compatible with the stated bases of free association which had been agreed to at Hilo, Hawaii. The petitioner indicated that a great majority of the people of Palau endorsed the walkout protest made by ten legislators who not only believed that the people themselves should exercise their fundamental right to self-determination but also supported the proposed constitution. He asked the Trusteeship Council and all those concerned to honour their commitment made to Micronesia as embodied in the Trusteeship Agreement, which was to promote the economic, social and political development of the inhabitants of the Trust Territory of the Pacific Islands (T/PV.1487).

(j) Mr. Roman Bedor, speaking on behalf of the Concerned Citizens of Palau and the Group to Save the Draft Constitution, referred to a petition addressed to the Speaker of the Palau Legislature expressing the objection of the public to any action by the Legislature to declare the proposed constitution null and void. He also referred to a petition which had been launched to demonstrate public support for the members of the Legislature who had walked out to prevent the adoption of bill No. 1140. Mr. Bedor observed that the one underlying theme in all those petitions was the desire of the petitioners to have the people of Palau themselves vote in the constitutional referendum on 9 July. He said that the people of Palau knew the concerns of the United States, and that in demanding their right to self-determination they were prepared to accept the result of that referendum and to face the consequences that might follow. He appealed to the members of the Trusteeship Council to provide every support for the wish of the people of Palau to exercise their fundamental right to self-determination, and to let them vote in the constitutional referendum on 9 July 1979 (T/PV.1487).

(k) Ibedul Y. M. Gibbons, one of the two paramount Chiefs of Palau, Mayor of Koror and Chairman of the Save Palau Organization, referring to the proposed constitution of Palau, said that in the absence of the compact of free association the delegates to the Palau Constitutional Convention had provided in the constitution the mechanisms necessary to accommodate any conflict that might arise between the constitution and the final draft of the compact. Mr. Gibbons noted that the United States objections to the proposed constitution appeared to be regarding the following sections: (a) section 1 of article I, relating to sovereignty and jurisdiction extending 200 miles from a straight archipelagic baseline; (b) section 6 of article XIII, which prohibited harmful substances, including nuclear weapons, from being stored within Palau, unless consented to by three fourths of the votes cast in a referendum on that specific question; and (c) section 7 of article XIII, which prohibited the use of the power of eminent domain for the benefit of a foreign entity. Referring to the sections in the proposed constitution to which the United States had raised objections, Mr. Gibbons analysed the internal mechanisms within the constitution for avoiding conflicts with a compact of free association. Even if those analyses were rejected, section 11 of article XV of the proposed constitution permitted amendments in order to avoid inconsistencies between the constitution and a compact of free association. The people would vote simultaneously on such amendments and the draft compact. Mr. Gibbons said that, consistent with its responsibilities under the Trusteeship Agreement, the United States should not impede and pre-empt a vote on the proposed constitution but should encourage that the referendum be conducted as scheduled. Referring to the proposed super-port in Palau, Mr. Gibbons recalled that he had presented an oral petition to the Trusteeship Council in 1976 requesting that Palauan lands and resources be protected before such a massive project was implemented (see T/PV.1452). He pointed out that an agreement for a feasibility study concluded between the Government of the Trust Territory and Japanese companies had expired in 1978. Subsequently, a new agreement had been signed for the same purpose by the Special Commission on Port Authority of the Palau Legislature and a Japanese business consortium. According to Mr. Gibbons, the agreement ignored the environmental problems of such a super-port project and the agreement itself was unfair to Palau. Under the terms of the agreement, Palau was clearly vulnerable to commercial exploitation by sophisticated Japanese investors. Mr. Gibbons stated that the United States should disapprove the agreement for the super-port feasibility study (T/PV.1490).

(1) Mr. Moses Uludong, speaking on behalf of the Tia Beluad Movement, observed that, on the whole, the proposed constitution for Palau provided for the fulfilment of the goals of the Trusteeship System and the Charter of the United Nations. His movement supported the proposed constitution because it contained democratic concepts of government and would allow Palauans their right to self-determination. Mr. Uludong said that the proposed constitution re-established their sovereignty and fashioned a foundation for independence which was long overdue. According to Mr. Uludong, the visit to Palau by Mr. Rosenblatt and his meetings with some Palauan leaders constituted a hindrance to the political process of Palau towards self-government and had caused further polarization and conflict in their small nation. It was because of Mr. Rosenblatt's statement that the referendum scheduled for 9 July 1979 was in jeopardy. Mr. Uludong appealed to the Trusteeship Council to prevent the United States from denying the people of Palau the right to express their approval or disapproval of the proposed constitution (T/PV.1490).

32. At the same session, the Trusteeship Council had before it 19 communications which had been circulated in documents T/COM.10/L.235-T/COM.10/L.253 under rule 24 of the rules of procedure of the Trusteeship Council. The Council examined the communications contained in documents T/COM.10/L.236-T/COM.10/L.253 at its 1490th meeting, on 29 May 1979, and decided, without objection to take note of them. With regards to T/COM.10/L.235, the Council decided, at the same meeting to draw the attention of the petitioners to the observations of the Administering Authority contained in document T/OBS.10/46 and Corr. 1. The Council further decided, without objection, to take note of document T/OBS.10/48, containing the observations of the Administering Authority concerning T/COM.10/L.250.

33. The Trusteeship Council also examined the following written petitions circulated in accordance with rule 85, paragraph 1, of its rules of procedure:

(a) Petition T/EST.10/134, from Dr. Michael J. Cummins, stating that, given the amount of money granted to the Trust Territory by the United States, the conditions in the Marshall Islands District Hospital at Majuro were "beyond belief" and that only the most rudimentary supplies were available for health care. In addition to inadequate facilities and the unavailability of the most necessary medicines, the nutritional needs of the patients were not properly met. Dr. Cummins said that, no matter what the inherent problems of the Marshall Islands might be, good medical care for its people was a quality of life that every nation was supposedly trying to achieve yet; only benign neglect leading to death seemed to be the attitude of everyone involved there. The observations of the Administering Authority concerning the petition were circulated in document T/OBS.10/45. In its observation, the Administering Authority stated that steps had been taken to eliminate many of the conditions about which Dr. Cummins had been concerned. A task force had been created by the High Commissioner of the Trust Territory to institute an immediate cleanup of the hospital, organize regular maintenance procedures, initiate recruitment and upgrading of staff and ensure that procurement of medical supplies was carried out efficiently and expeditiously. The task force had completed a general cleanup of the hospital; procedures had been established and staff installed to maintain cleanliness and key areas had been air-conditioned. The Administering Authority also observed that the hospital building itself, built in 1960, was no longer adequate. Major renovation of the hospital, at a cost of \$US 2.5 million, 5/ had been

5/ The local currency is the United States dollar (\$US 1.00).

contemplated in the budget for the 1980 fiscal year, but recent analysis of the conditions of the original building revealed basic structural weaknesses which would make renovation unrealistic. Accordingly, plans currently called for a new hospital for Majuro at a more suitable site, rather than attempting to use the existing buildings for long-range needs.

(b) Petition T/PET.10/135, from Messrs. Tosiwo Nakayama, President of the Senate, and Bethwel Henry, Speaker of the House of Representatives, Congress of Micronesia, observing that a vital step in the process of the achievement of self-government and the realization of the right of the people of Micronesia to self-determination had been the referendum on the draft constitution of the Federated States of Micronesia held on 12 July 1978, indicated that the final vote tally had resulted in four districts approving the constitution and two rejecting it. In exercising its functions mandated by Public Law No. 5-60, the Congress of Micronesia had created a Special Joint Committee on Referendum Review. The petitioners said that the Committee had received challenges to the referendum results from Palau and the Marshall Islands and that it intended to investigate the circumstances of the referendum in Palau. They wished to add their personal appeal to the request of the Congress of Micronesia (T/COM.10/L.236) that United Nations representatives be present for the review of the referendum results in Palau.

(c) Petition T/PET.10/136, from Messrs. Julio M. Akapito and Ambilos Iehsi, Chairman and Vice-Chairman of the Special Joint Committee on Referendum Review, recalling that the Congress of Micronesia had created the Special Joint Committee to examine the results of the Micronesian constitutional referendum and make recommendations to the Congress, said that the Committee was scheduled to go to Palau on 27 September 1979 to investigate a challenge that had been made. The petitioners stressed the importance of the participation of representatives of the Trusteeship Council as observers in the proceedings of the Committee and hoped that the Council would accept their invitation.

(d) Petition T/PET.10/137, from Mr. Jerome J. Shestack and others, International League for Human Rights, enclosed a report on the current situation and problems in the Trust Territory of the Pacific Islands prepared by Mr. Peter Travers of the Lawyers Committee for International Human Rights. The petitioners observed that, while some progress had been made since the United States had accepted the role of Administrator in 1947, there were a number of areas where such progress had not been sufficient. The Administering Authority had not made an adequate effort to assimilate the Micronesians into positions of authority in the society, nor had there been sufficient development of a local economic infrastructure that could sustain the Micronesians after 1981. The petitioners believed that any "free association" agreements reached by the parties should be analysed and approved by the Trusteeship Council and the Security Council. They maintained that the Security Council should be allowed to review each step of the process of the termination of the Trusteeship Agreement, beginning with the separation of the Northern Mariana Islands, a position which was contrary to that apparently taken by the Administering Authority that only the final terms of the Trusteeship Agreement need be reviewed by the Council. In its observations concerning the petition, circulated in document T/OBS.10/47, the Administering Authority noted that at its forty-fifth session the Trusteeship Council had commended the increase in the number of Micronesian citizens who held senior posts in the executive branch and had noted the further reduction

in the number of expatriate staff. 6/ Those developments were consistent with the United States policy with regard to Micronesia as part of the transition process prior to termination of the Trusteeship Agreement. The United States recognized the need to step up development of the economic infrastructure, and it was the policy of the Trust Territory Government to establish a viable infrastructure for all of the districts prior to the termination of the Trusteeship Agreement. As regarded the termination of the Trusteeship Agreement, it was the intention of the Administering Authority fully to abide by its obligations under that Agreement and the Charter at the time of termination.

(e) Petition T/PET.10/148, from the Japan Congress against Atomic and Hydrogen Bombs (GENSUIKIN), supported people in their struggle against any deployment or storage of nuclear weapons and waste in their country. Because of the nuclear ban provisions contained in the proposed constitution for Palau, the Government of the United States was currently not only working to remove the ban but was also actively aiding and abetting forces within Palau to subvert and kill the proposed constitution before it came to a vote. GENSUIKIN condemned United States actions as blatant interference in the internal affairs of Palau and a violation of its obligation as the Administering Authority, and strongly urged that the Trusteeship Council and the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples should protest against such actions and support the Palauan people in their just struggle to protect their constitution and exercise their right to self-determination. GENSUIKIN further requested the Council and the Special Committee to ensure that the constitutional referendum of 9 July 1979 was not cancelled or postponed and to assist and observe the referendum.

34. With regard to T/PET.10/134-137, the Trusteeship Council decided, without objection, at its 1490th meeting, on 29 May 1979, to draw the attention of the petitioners to the observations of the Administering Authority. At its 1494th meeting, on 13 June 1979, the Council decided, also without objection, to take note of T/PET.10/148.

D. UNITED NATIONS VISITING MISSION TO OBSERVE THE REFERENDUM
IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS, JULY 1978

35. At its 1480th meeting, on 31 May 1978, the Trusteeship Council adopted resolution 2165 (XLV) by 3 votes to none, with 1 abstention. By that resolution, the Council decided to send a visiting mission to observe the referendum on the draft constitution of the Federated States of Micronesia, the mission to begin on 13 June 1978 and to end as soon as practicable after the declaration of results.

36. The Visiting Mission was composed of Mr. Robin A. C. Byatt (United Kingdom), Chairman; Mr. Jean-Claude Brocquenin (France), Vice-Chairman; Messrs. Pierre Garrigue-Guyonnaud and Gérard Julienne (France); and Ms. Sheila Harden and Mr. Ian A. Woods (United Kingdom).

6/ Official Records of the Security Council, Thirty-third Year, Special Supplement No. 1 (S/12971), para. 514.

37. The Trusteeship Council considered the report of the Visiting Mission 7/ at its forty-sixth session concurrently with the annual report of the Administering Authority.

38. At the 1494th meeting, on 13 June 1979, the representative of France introduced a draft resolution (T/L.1215) concerning the report of the Visiting Mission. At the same meeting, the Council adopted the draft resolution by 3 votes to none, with 1 abstention (resolution 2169 (XLVI)). In the operative paragraphs of the resolution, the Council took note of the report of the Visiting Mission and expressed its appreciation of the work accomplished by the Visiting Mission on its behalf.

39. In explanation of his vote, the representative of the United States said that his Government, as the Administering Authority, had been pleased that the Visiting Mission had observed the referendum on 12 July 1978 in the Trust Territory, which had truly been an historic moment for the Micronesians. The people had not only decided on their future constitutional arrangements, but they also had before them the important question of whether there would be unity or separation of the Micronesian people. Those decisions had been made. Some might question the wisdom of their choice, but none should question whether it was theirs to make. Thus, the questions with which the Visiting Mission had had to grapple had been whether that referendum had been freely and fairly conducted and whether the people had understood the issues before them. The United States Government believed that the report confirmed its judgement that that had been the case.

40. The representative of the United States said that the report of the Visiting Mission appeared to reflect accurately and to document the events surrounding the referendum. His delegation supported the adoption of the report. He added, however, that it would not be appropriate for his Government, as the Administering Authority, to vote for or against the specific conclusions and recommendations contained in the report, which was a decision for the other members of the Trusteeship Council to take.

41. The United States delegation was pleased that the Trusteeship Council had authorized the dispatch of visiting missions to the Trust Territory to observe major steps in the constitutional development of the area. The missions had been warmly received by the local people, who looked to the Council as a source of guidance and support as they moved steadily towards self-government. It would continue to be the policy of the Administering Authority to welcome visiting missions of the Council to the Territory, particularly in support of requests by the local authorities themselves.

42. The representative of the Union of Soviet Socialist Republics said that the Mission's report did not contain exhaustive first-hand information about the situation in the Territory, particularly on economic and social conditions. Even with the scant material contained in the report, it was clear that the

7/ Official Records of the Trusteeship Council, Forty-sixth Session, Supplement No. 2 (T/1795).

situation in the Territory had not improved. According to the Mission's report, the Micronesian economy was, by any standard, extremely unbalanced in its development and entirely dependent on external aid. Unemployment was excessively widespread.

43. Referring to the arrangements for the conduct of the constitutional referendum, the representative of the Soviet Union said that the Mission's comments and conclusions would have been more objective if it had had a clearer idea of its task. However, as the report made clear, the position of the members of the Mission had favoured the Administering Authority, rather than the majority of the people of the Territory. He pointed out that the Chairman of the Visiting Mission had, for example, made a statement in the Territory to the effect that

"the United Nations has a responsibility towards the Trust Territory. The basic objective of the United Nations Trusteeship System is to promote the advancement of the inhabitants of Trust Territories and their progressive advancement towards self-government". 8/

The representative of the Soviet Union said that Article 76 of the Charter stated that one of the basic objectives of the Trusteeship System was to promote the "progressive development of the inhabitants of the Trust Territories towards self-government or independence".

44. The representative of the Soviet Union said that by omitting the main provision of the Trusteeship System, which was to promote development towards independence, the Chairman of the Mission had, in his statement, arbitrarily limited the inalienable right of the people of the Trust Territory. That could not but have a negative impact on the results of the referendum. It was therefore not surprising that the results of the referendum on the proposed constitution had, in actual fact, been bypassed by the report of the Mission. The majority of the Micronesians had spoken out in support of the draft constitution, thereby reaffirming their genuine desire for self-government and for maintaining the unity and territorial integrity of the Trust Territory.

45. The representative of the Soviet Union said that the Mission's conclusions that the Administering Authority had maintained an impartial position were also erroneous. The Trusteeship Council was well aware of other factors bearing out the active participation of the Administering Authority in dismembering the Trust Territory and encouraging separatism in contravention of the Constitution of the Federated States of Micronesia. Under pressure from the Administering Authority, the Congress of Micronesia had been compelled to change the electoral laws by including a provision that had been favourable to the Administering Authority and abolishing principles that would have maintained the integrity of the Territory. That was borne out by the fact that the people of the Marianas had been excluded from taking part in the referendum. In assessing the situation, one could not but come to the conclusion that the partiality of the Administering Authority and, to a certain extent, of the Visiting Mission, had constituted negative factors that had a real and considerable impact on the course and results of the referendum.

46. The delegation of the Soviet Union had serious reservations regarding the final section of the Mission's report and other sections. It could not support the draft resolution and would abstain from voting on it.

8/ Ibid., annex II, para. 2.

47. The representative of the United Kingdom, speaking as Chairman of the Visiting Mission, said that he did not accept the contention of the Soviet Union representative that the statement he had broadcast in Saipan in 1978 had been an attempt to rewrite the Charter or in any way alter the purport of Article 76 of the Charter. He agreed with the representative of the Soviet Union that Article 76 specified that the purpose of the Trusteeship System was to promote "progressive development towards self-government or independence as may be appropriate". The statement he had made had been related specifically to the function of the Mission, which had been to observe a referendum concerned not with alterations in the international status of the Trust Territory but with an advance in internal self-government. In drawing on that Article of the Charter he had, therefore, paraphrased it rather than quote the whole Article.

48. The representative of the United Kingdom also drew attention to the fact that, in paragraph 299 of its report, the Mission made it clear that it had explained to the public at numerous meetings that the referendum concerned only the constitution and that the people of Micronesia would have a later opportunity to decide on their status in the world community after termination of the Trusteeship Agreement. It was at that point that the question of independence, if appropriate, would arise. He also drew attention to the final sentence of the same paragraph which constituted a recommendation that the Trusteeship Council should ensure that a plebiscite or referendum would be held on future political status and would be observed by the Council.

49. The representative of the United States said that the statement by the representative of the Soviet Union that the Administering Authority had used pressure to change the electoral laws and regulations governing the referendum was totally without validity. The decisions concerning the adoption of laws, rules and regulations on the referendum had been made by the Congress of Micronesia which, beginning in 1965, had exercised considerable independence and responsibility for the legislative aspects of the Government in the Trust Territory. The changes that had been introduced in the legislation governing the constitutional referendum had been introduced and adopted by the Congress itself.

E. UNITED NATIONS VISITING MISSION TO OBSERVE THE REFERENDUM
IN THE MARSHALL ISLANDS, TRUST TERRITORY OF THE PACIFIC
ISLANDS, MARCH 1979

50. At the fourteenth special session of the Trusteeship Council, the representative of the United States said that his Government was proud of the progress that had been made in the attainment of self-government by the inhabitants of the Trust Territory. It had been the policy of the United States to seek the participation of the Trusteeship Council in that process, not only through its regular and special sessions but also through the dispatch of visiting missions to the Territory. In particular, his Government had invited the Council to send special missions to observe major acts in the attainment of self-government by the people of the Territory.

51. The representative of the United States noted that, in 1975, the United States had invited 9/ the Trusteeship Council to send a mission to the Mariana

9/ Ibid., Forty-second Session, Sessional Fascicle, annexes, document T/1760.

Islands District to observe the plebiscite on the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. 10/ In 1978, the Council had sent a mission to the six other districts of the Territory 11/ in order to observe the referendum on the draft constitution of the Federated States of Micronesia. 12/ Recalling that the voters in the Marshall Islands and Palau had not accepted the constitution, he said that, by the terms of the Congress of Micronesia law governing the Constitution and the referendum, the Constitution of the Federated States would not apply to those two districts which must, therefore, adopt their own constitutions.

52. The United States representative, recalling that on 21 December 1978 the Marshall Islands Constitutional Convention had approved a draft constitution for the Marshall Islands 13/ and that the Speaker of the Marshall Islands Legislature had called for the referendum on the constitution to be held on 1 March 1979, said that both the Constitutional Convention and the Speaker of the Legislature had requested that the Trusteeship Council observe the referendum. The United States Government had endorsed their invitation and would welcome the dispatch of a visiting mission to the Marshall Islands.

53. The representative of the United States said that the draft constitution set out in some detail the form of government which would exist in the Marshall Islands. It contained a bill of rights and would create a traditional council, a legislature (Nitijela), an executive branch headed by a president who would be a member of the Nitijela elected by a majority of the members of the Nitijela and a judiciary. The duties and powers of each were specified. It was now up to the people of the Marshall Islands to determine whether the draft constitution met their desires as a form of government. If adopted, the constitution would become effective on 1 May 1979.

54. The representative of the United States recommended that the mission arrive in the Marshall Islands several days before the date of the referendum so that it would have an opportunity to observe the pre-vote educational programme and discussion as well as the actual voting process.

55. The representative of the Union of Soviet Socialist Republics stated that serious events had occurred in the Trust Territory in 1978. Referring to the constitutional referendum of 12 July 1978, he pointed out that the majority of Micronesians had approved the draft constitution of the Federated States of Micronesia. Once again, a genuine aspiration to the preservation of territorial integrity and freedom had been confirmed. Consequently, the statement of the

10/ For the text of the Covenant, see Official Records of the Trusteeship Council, Forty-second Session, Sessional Fascicle, annexes, document T/1759. For the report of the Visiting Mission, see Official Records of the Trusteeship Council, Forty-third Session, Supplement No. 2 (T/1771).

11/ For the report of the Visiting Mission, see Official Records of the Trusteeship Council, Forty-sixth Session, Supplement No. 2 (T/1795).

12/ For the text of the draft constitution, see T/COM.10/L.174, annex I.

13/ For the text of the draft constitution, see Official Records of the Trusteeship Council, Forty-sixth Session, Sessional Fascicle, annexes, document T/1801, annex, enclosure.

representative of the Administering Authority about the absence in the Territory of any sentiment in favour of territorial unity had once again convincingly been shown to be unfounded.

56. The representative of the Soviet Union said that, as could be seen from the statement of the representative of the Administering Authority and the documents that had been submitted to the Trusteeship Council, the Administering Authority had disregarded the results of that referendum and had endeavoured to explain them in its own interests in such a manner as to further the fragmentation of Micronesia and to impose different kinds of status on its component parts. In 1976, the representative of the United States had declared, at the forty-third session of the Council, that the policy of his Government was to encourage the peoples of the Marshall and Caroline Islands to maintain political unity. Since then there had been further fragmentation, which had been blamed on the Micronesians. The United States had imposed upon the Congress of Micronesia conditions for the referendum which had been favourable to the United States and which would encourage separatism in those islands that were of particular strategic importance to the Administering Authority.

57. The representative of the Soviet Union stated that the hasty preparation of separate constitutional referendums for the Marshall Islands and Palau at a time when the Trusteeship Council had not yet assessed the results of the constitutional referendum held in 1978 attested to the intention of the Administering Authority to fragment and annex the Territory.

58. The Soviet Union representative said that his delegation had stated in August 1978 that the actions taken by the United States were in flagrant violation of the Declaration on the Granting of Independence to Colonial Countries and Peoples and of numerous decisions adopted by the United Nations unequivocally condemning any attempts at partial or complete disruption of the national unity and territorial integrity of colonial Territories (A/AC.109/PV.116).

59. The representative of the Soviet Union declared that the constitutional referendum in the Marshall Islands was an illegal act which was contrary to the Charter of the United Nations and the Trusteeship Agreement. He was opposed to the dispatch of a visiting mission to those islands to observe the referendum and consequently his Government would not participate in the mission. In accordance with the Charter, any change in the status of a strategic Trust Territory must be made only through a decision of the Security Council, and any other decision had no legal or binding force.

60. The representative of the United Kingdom stated that the Council should accept the invitation of the Administering Authority and should send a mission to observe the referendum in the Marshall Islands on 1 March. Since the people of the Marshall Islands had voted against the draft constitution of the Federated States of Micronesia, they would now have to take a decision about what other constitutional arrangements they wished to make for their future self-government.

61. The delegation of the United Kingdom maintained that it was for the people of Micronesia themselves to decide the form of their future government. It believed that it was the duty of the Trusteeship Council to satisfy itself that all acts of self-determination by peoples under trusteeship were fairly and properly carried out. For that reason, his Government believed that the Council should send a visiting mission to observe the referendum. His delegation would be prepared to

make available one of its members to serve on the proposed mission should the Council decide to send one.

62. The representative of France, referring to resolution No. 10 which had been adopted by the Marshall Islands Constitutional Convention, 14/ observed that the Convention had emphasized two points in that resolution: (a) that the ongoing constitutional process in the Marshall Islands marked a significant milestone in the evolution of those islands; and (b) that in taking a decision through that constitutional referendum the people of the Marshall Islands were exercising their right to self-determination.

63. In underscoring the importance his Government attached to the right to self-determination, the French representative said that the Trusteeship Council should reply favourably to the invitation extended to it and send a visiting mission to observe the constitutional referendum in the Marshall Islands.

64. In exercise of the right of reply to the statement made by the representative of the Soviet Union, the representative of the United States said that an effort had been made to distort both the facts of the situation and the intentions of the United States Government concerning the Trust Territory, despite United States efforts to keep the Trusteeship Council fully informed of developments in the Territory and to encourage, through visiting missions to the Territory, full participation by members of the Council in the steps taken by the inhabitants of the Territory towards self-government. The Soviet Union representatives had presumed to speak authoritatively about conditions in the Territory, yet they had declined to participate in missions to the Territory since 1973.

65. The representative of the United States pointed out that no one could deny that a majority of the voters in the Territory had voted in favour of the Constitution. Public Law No. 6-61 adopted by the Congress of Micronesia in 1975 specifically stated:

"The Constitution shall be deemed to have been ratified and approved by the people of Micronesia if it is approved by a majority of the districts of the Trust Territory existing at the date of the referendum, provided, however, that the Constitution shall not take effect in any such district if it is disapproved by a majority of those voting in the referendum in that district."

Thus, it was the duly elected representatives of the Territory who had determined the rules of the referendum, and not the Administering Authority.

66. The United States delegation had been puzzled to hear allegations that threats or pressures had been used during the constitutional referendum in July 1978. The United States had not favoured, and in fact regretted, decisions by the peoples of Micronesia to divide the Territory into a number of separate governmental units. The United States had taken steps to promote unity. For instance, it had chosen to negotiate with representatives of Palau, the Federated States of Micronesia and the Marshall Islands simultaneously and on an equal basis, and it intended to sign a single future political status agreement with all three.

14/ Official Records of the Trusteeship Council, Forty-sixth Session, Sessional Fascicle, annexes, document T/1796, annex, enclosure.

The United States continued to believe that the question of the political unity of Micronesia was a question to be determined by the people of Micronesia themselves and not to be imposed by any external Government or body, including the Government of the United States.

67. The representative of the United States took exception to allegations that the acts of self-government and self-determination which were taking place in the Trust Territory were in any way illegal or contrary to the Charter or the Trusteeship Agreement. Although there might be differences over what course would be best for the people of Micronesia, the process whereby the people of Micronesia were determining their future had been one which they had decided upon themselves in exercise of their right of self-determination.

68. Responding to the assertion that the United States had been seeking to modify the terms of the Trusteeship Agreement, the United States representative said that his Government had consistently lived up to the terms of the Agreement; it had not and would not modify the Agreement. The United States Government continued fully to respect the terms of the Trusteeship Agreement and to consider that all of the Territory would remain legally an integral whole until the Agreement was terminated in 1981.

69. The representative of the Soviet Union stated that there was a divergence of views in the assessment of what was actually happening in Micronesia. The representative of the United States had said that the Trust Territory would remain an integral whole until the Trusteeship Agreement was terminated in 1981. However, at that time it would not be an integral whole, but would be dismembered and fragmented. It would not be a sovereign State of Micronesia, but a number of structures which had been set up in recent years as a result of the efforts of the Administering Authority.

70. The representative of the Soviet Union, in reiterating the position of his Government, said that the holding of the referendum in the Marshall Islands was illegal and that the Administering Authority, and not the inhabitants of the Trust Territory was responsible for that illegal action. The Administering Authority was bound to be guided in its actions in the Trust Territory by the provisions of the Charter, the Trusteeship Agreement and the Declaration on the Granting of Independence to Colonial Countries and Peoples. He pointed out that in the past the Trusteeship Council had repeatedly expressed its support for the preservation of the unity of the Trust Territory. In the view of his delegation, a mission should not be sent to observe an illegal referendum in the Marshall Islands. His delegation had voted against the sending of such a mission and it could not recognize the results of a referendum which in practice had been predetermined by certain actions on the part of the Administering Authority in that part of the Trust Territory.

71. At the 1483rd meeting, on 15 February 1979, the Trusteeship Council adopted resolution 2167 (S-XIV) by 3 votes to 1, by which it decided to send a Visiting Mission to observe the referendum in the Marshall Islands, the Mission to begin on 22 February 1979 and to end as soon as practicable after the declaration of the results.

72. The Visiting Mission was composed of Ms. Sheila Harden (United Kingdom), Chairwomen; and Mr. Ricardo Duqué (France).

73. The Trusteeship Council considered the report of the Visiting Mission 15/ at its forty-sixth session, in May/June 1979, concurrently with the annual report of the Administering Authority.

74. At the 1404th meeting, on 13 June 1979, the representative of the United Kingdom introduced the draft resolution contained in document T/L.1216 concerning the report of the Visiting Mission. At the same meeting, following a statement by the representative of the Soviet Union (see para. 75 below) the Trusteeship Council adopted the draft resolution by 3 votes to 1 (resolution 2170 (XLVI)). In the operative part of the resolution, the Council took note of the report of the Visiting Mission and expressed its appreciation of the work accomplished by the Visiting Mission on its behalf.

75. In his statement before the vote on the draft resolution, the representative of the Soviet Union reiterated the position of his Government that the holding of the referendum had not been a lawful act of the Administering Authority, but that it had been contrary to the Charter and the Trusteeship Agreement. In recalling that his delegation had been opposed to the sending of the Visiting Mission to observe the referendum in the Marshall Islands, the representative of the Soviet Union said that in view of the illegality of the actions taken by the Administering Authority in dismembering the Territory, any participation by the Trusteeship Council in the referendum could only help the Administering Authority in its illegal disregard of the Charter and the Trusteeship Agreement. In strictly upholding the Charter and the Declaration on the Granting of Independence to Colonial Countries and Peoples, the Soviet Union was firmly opposed to the dismemberment of the Trust Territory and was in favour of the fulfilment of the desire of Micronesians for independence. On the basis of a position of principle, the Soviet Union would vote against the draft resolution.

F. UNITED NATIONS VISITING MISSION TO OBSERVE THE REFERENDUM IN
PALAU, TRUST TERRITORY OF THE PACIFIC ISLANDS, JULY 1979

76. At its forty-sixth session, the Trusteeship Council had before it a letter dated 16 May 1979 from the Alternate Representative for Special Political Affairs of the United States Mission to the United Nations, 16/ addressed to the President of the Council, enclosing the text of resolution No. 27 adopted by the Palau Constitutional Convention on 9 March 1979. 17/ By that resolution, the Convention resolved to request the Trusteeship Council to send representatives to observe the constitutional referendum to be held in Palau on 9 July 1979. In his letter, the Alternate Representative stated that his Government endorsed that invitation.

77. At its 1492nd and 1493rd meetings, on 30 May and 6 June 1979, the Trusteeship Council considered the draft resolution contained in document T/L.1217, introduced by the representative of the United Kingdom, concerning the dispatch of a visiting mission to observe the referendum in Palau in July 1979.

15/ Ibid., Supplement No. 3 (T/1805).

16/ Ibid., Sessional Fascicle, annexes, document T/1808.

17/ For the text of the resolution, see T/COM.10/L.251.

78. At the 1493rd meeting, following a statement by the representative of the Soviet Union (see paras. 80-83 below), the Trusteeship Council adopted the draft resolution contained in document T/L.1217 by 3 votes to 1 (resolution 2168 (XLVI)).

79. In the operative part of the resolution, the Trusteeship Council decided to send a Visiting Mission to Palau, the Mission to begin on or about 28 June 1979 and to end as soon as practicable after the declaration of the results of the referendum. The Council further decided that the Visiting Mission should be composed of two members nominated by the Governments of France and the United Kingdom. The Council directed the Mission to observe the referendum, including the campaign and polling arrangements, the casting of votes, the closure of voting, the counting of ballots and the declaration of results; and to obtain, at the same time and to the extent that the primary purpose of the Mission would permit, first-hand information concerning political, economic and social developments in Palau. Finally, the Council requested the Mission to submit to the Trusteeship Council as soon as practicable a report on its observations of the referendum, containing such conclusions and recommendations as it might wish to make.

80. In his statement before the vote on the draft resolution, the representative of the Soviet Union stated that his delegation had had occasion earlier in the session to draw attention to the fact that the Administering Authority, in interpreting to its own advantage the results of the Micronesian constitutional referendum of 1978 in which the majority of the population had supported the constitution for a single Micronesia, had considerably stepped up its policies aimed at dismembering the Trust Territory.

81. Referring to the plebiscite conducted in the Mariana Islands in 1975 and the constitutional referendum held in the Marshall Islands in 1979, the representative of the Soviet Union said that the Administering Authority continued to violate Micronesia's territorial integrity, as was borne out by the fact that a referendum would be held in Palau, the purpose of which was to establish a separate status for that archipelago.

82. The representative of the Soviet Union cited the statement of 6 March 1979 issued by his Government 18/ in which it had pointed out that finding a solution to the future of Micronesia was an integral part of the problem of decolonization and of giving colonial countries and peoples the right to self-determination and independence, a fact confirmed by the decision of the Special Committee on the situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples to place the question of the Situation in Micronesia on its agenda. The statement had further pointed out that, pursuant to the Charter, any change in the status of a strategic Trust Territory could take place only by a decision of the Security Council. Unilateral actions by the United States with respect to the whole or individual parts of the Trust Territory could not be recognized as lawful or having legal force.

83. The representative of the Soviet Union stated that in accordance with that position, therefore, his delegation must declare that the holding of the referendum in Palau could not be regarded as anything other than an illegal action on the part of the Administering Authority taken contrary to the Charter. Accordingly, the

18/ Official Records of the Security Council, Thirty-fourth Year, Supplement for January, February and March 1979, document S/13147.

conclusion must be drawn that the Trusteeship Council must not be party to that illegal action. The decision of the Council to send a mission to Palau would virtually make the Council an accomplice in those illegal actions; it would also be a violation of the Charter. Such actions by the Council could not be supported by the Soviet Union delegation and it would therefore vote against the draft resolution contained in document T/L.1217.

G. UNITED NATIONS VISITING MISSION TO THE TRUST TERRITORY
OF THE PACIFIC ISLANDS, 1980

84. By its resolution 2166 (XLV) of 31 May 1978, the Trusteeship Council decided to dispatch a periodic visiting mission to the Trust Territory of the Pacific Islands in 1979. The Council further decided that the Mission should be composed of members of the Council wishing to participate, except the Administering Authority, which would provide an escort officer. In the same resolution, the Council also set forth the terms of reference of the Visiting Mission.

85. During the fourteenth special session, on 15 February 1979, the representative of the United Kingdom said that since the adoption of resolution 2166 (XLV), a visiting mission had spent a total of more than seven weeks in the Territory during 1978 observing the constitutional referendum and also obtaining information about economic and social conditions in Micronesia. The Council had also decided to dispatch a Mission to observe the referendum in the Marshall Islands in March 1979. The United Kingdom delegation understood that it was likely that the Council would be asked at its forty-sixth session to dispatch a further mission to Palau to observe the constitutional referendum. It remained the objective of the Administering Authority that the Trusteeship Agreement should be terminated in 1981. Although it had been the general, though not the invariable, practice of the Trusteeship Council to dispatch periodic visiting missions to the Trust Territory once every three years, neither the Charter nor the rules of procedure of the Trusteeship Council had established a three-year interval.

86. The representative of the United Kingdom observed that if the Trusteeship Agreement was terminated in 1981, there would be only one visit to the Trust Territory by a periodic mission before the termination of the Agreement. In her delegation's view, it would be sensible if visits to the Trust Territory during the remaining period of trusteeship were reasonably spaced, enabling the Council to keep itself continuously up to date on conditions and developments in the Territory. Not only would a decision to defer the regular mission be consistent with the responsible discharge of the Council's functions but it would also avoid the strain on the manpower resources of delegations and the budgetary provisions for the Council's activities in the current biennium that would result from sending three missions to the Territory in 1979. Accordingly, the United Kingdom delegation proposed that the Council should modify the decision taken in resolution 2166 (XLV) by deciding to defer the dispatch of the periodic mission envisaged in that resolution for 1979 until early 1980.

87. The representative of France, in supporting the statement made by the United Kingdom on the subject, said that, taking into account the recent missions of the Council and its future programme, the periodic visiting mission should be postponed until 1980.

88. The representative of the Union of Soviet Socialist Republics stated that his

delegation was not against the deferment of the mission to 1980, but it did not agree with the reasons which had been adduced to justify that postponement.

89. At its 1483rd meeting, on 15 February 1979, the Trusteeship Council decided, without objection, to defer to early 1980 the dispatch of the periodic visiting mission scheduled for 1979 under the terms of resolution 2166 (XLV).

H. ATTAINMENT OF SELF-GOVERNMENT OR INDEPENDENCE BY TRUST TERRITORIES AND THE SITUATION IN TRUST TERRITORIES WITH REGARD TO THE IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES; CO-OPERATION WITH THE SPECIAL COMMITTEE ON THE SITUATION WITH REGARD TO THE IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES

90. At its 1493rd meeting, on 6 June 1979, the Trusteeship Council decided, without objection, to consider items 12 and 13 of its agenda together.

91. At the same meeting, the Council considered those items. During the discussion, the representative of the United States said that co-operation by the Trusteeship Council with a committee of the General Assembly did not apply. It was clear from Article 83, paragraph 1, of the Charter, that all functions of the United Nations relating to strategic areas should be exercised by the Security Council, while Article 85 of the Charter clearly limited the functions of the General Assembly to Trust Territories not designated as strategic.

92. The representative of the Union of Soviet Socialist Republics said that it was the fundamental position of his Government to support co-operation between the Trusteeship Council and the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. The need for such co-operation was dictated not only by a long-established practice which had generally been observed in the activities of the Trusteeship Council but also by the demands set forth in the historic Declaration on the Granting of Independence to Colonial Countries and Peoples, which was fully applicable to all Trust Territories, contained in General Assembly resolution 1514 (XV) of 14 December 1960.

93. The representative of the Soviet Union said that paragraph 5 of resolution 1514 (XV), which was fully relevant to the Trust Territory of the Pacific Islands, provided that immediate steps should be taken in Trust and Non-Self-Governing Territories or all other Territories which had not yet attained independence, to transfer all powers to the peoples of those Territories, without any conditions or reservations, in accordance with their freely expressed will and desire, without any distinction as to race, creed or colour, in order to enable them to enjoy complete independence and freedom.

94. The representative of the Soviet Union recalled that paragraph 3 (9) of General Assembly resolution 2621 (XXV) of 12 October 1970, on the programme of action for the full implementation of the Declaration, stated that where resolution 1514 (XV) had not been fully implemented with regard to a given Territory, the Assembly should continue to bear responsibility for that Territory until such time as the people concerned had had an opportunity to exercise freely their right to self-determination and independence in accordance with the Declaration.

95. The delegation of the Soviet Union found unacceptable the desire of the Administering Authority to shirk its responsibility to implement in the Territory the provisions of the Declaration and to co-operate with the Special Committee. It was fully aware of Article 83 of the Charter. Nothing in that Article prohibited other United Nations bodies, particularly the Special Committee, as an organ of the General Assembly, or the General Assembly itself from monitoring the situation in the Territory in accordance with the Charter and its particular mandate.

96. The representative of the Soviet Union said that the Special Committee played a very constructive part in preparing recommendations for the General Assembly and the Security Council, including on matters relating to the Trust Territory of the Pacific Islands. The refusal of the Administering Authority to co-operate with the General Assembly and the Special Committee was not only regrettable but also contrary to the Charter. The Assembly performed certain functions under the Charter in connexion with the Trust Territory and the Administering Authority had to co-operate with it and all the bodies established by the Assembly, including the Special Committee.

97. The Soviet delegation unswervingly supported the Charter. As stated in Article 83 of the Charter, all functions relating to strategic Territories were performed by the Security Council. Therefore, any change in the status of a Trust Territory should only be carried out by the decision of the Security Council. Consequently, any action taken by the Administering Authority aimed at the dismemberment of the Territory could not be regarded as legal.

98. The representative of the United Kingdom said that Article 83 of the Charter related to the affairs of the Trust Territory of the Pacific Islands, while Article 85 was concerned specifically with Trust Territories not designated as strategic. Article 83 of the Charter charged the Security Council with the performance of all functions of the United Nations relating to strategic areas. It also instructed it to avail itself of the assistance of the Trusteeship Council in performing functions relating to political, economic, social and educational matters. In the view of the United Kingdom delegation, therefore, the Trusteeship Council had responsibility only to the Security Council in relation to Trusteeship Agreements for strategic areas.

99. The representative of the United States said that the Charter had clearly defined the competence of various bodies of the United Nations in relation to strategic Trust Territories. Since the Charter provided that all functions of the United Nations relating to a strategic area lay with the Security Council, his delegation could not see how one could loosely interpret that part of the Charter as allowing for other organs of the United Nations to carry out activities related to the Territory. Article 85 clearly limited the functions of the General Assembly to Trust Territories not designated as strategic, functions which the General Assembly had carried out competently and successfully.

100. At the same meeting, the Trusteeship Council decided to draw the attention of the Security Council to the conclusions and recommendations which would be adopted by the Trusteeship Council concerning the attainment, under the Council's guidance, of self-government or independence by the Trust Territory and to the statements on that question made during that meeting by the members of the Trusteeship Council.

I. CO-OPERATION WITH THE COMMITTEE ON THE ELIMINATION OF RACIAL DISCRIMINATION: DECADE FOR ACTION TO COMBAT RACISM AND RACIAL DISCRIMINATION

101. At its 1493rd meeting, the Trusteeship Council decided, without objection, to consider items 10 and 11 of its agenda together.

102. At the same meeting, the Council considered those two items. During the discussion, the representative of the United States said that the opposition of his Government to any form of racial discrimination was well known, and that it was proud of the absence of racial discrimination and of the protection of human rights generally in the Trust Territory, a protection which was guaranteed by law in the Territory.

103. Concerning co-operation with the Committee on the Elimination of Racial Discrimination, the United States strongly supported the development of the important role being played by that Committee in overseeing the implementation of the International Convention on the Elimination of All Forms of Racial Discrimination. The United States would continue to participate in sincere efforts to end racism and racial discrimination, but it continued not to participate in the activities of the Decade for Action to Combat Racism and Racial Discrimination, for reasons which were already well known.

104. The representative of the Soviet Union said that his delegation attached great importance to the discussion by the Trusteeship Council of matters related to the struggle against racism and racial discrimination in connexion with the Trust Territory.

105. The Soviet Union representative said that, since the victory of the socialist revolution in his country, the struggle for equality for all peoples and nations and for the genuine guarantee of human rights had been part of the State policy of the Soviet Union which enjoyed the support of all its people. In that connexion, he quoted a message to the World Conference to Combat Racism and Racial Discrimination, held at Geneva from 14 to 25 August 1978, from Leonid Ilyich Brezhnev, Secretary-General of the Central Committee of the Communist Party of the Soviet Union, in which he had emphasized: "The Soviet people unequivocally declares itself to be on the side of the forces which are leading the struggle for the equality for all peoples and against racial and national discrimination and are combating the preservation of the vestiges of colonialism and racism." 19/

106. The representative of the Soviet Union said that his Government had actively supported the activities of the United Nations designed to eliminate all vestiges of racism and colonialism. He cited the numerous decisions and resolutions of the United Nations, including General Assembly resolution 3057 (XXVIII) of 2 November 1973 in which the Assembly had called upon the international community to intensify and expand "their efforts towards ensuring the rapid eradication of racism and racial discrimination". The Trusteeship Council could not stay on the sidelines in connexion with such activity, but unfortunately it was rather lukewarm regarding those actions undertaken in the United Nations in order to remove the last vestiges of racism and racial discrimination. It was regrettable that the Trusteeship Council

19/ Report of the World Conference to Combat Racism and Racial Discrimination
(United Nations publication, Sales No. E.79.XIV.2), annex II.

had not participated in the World Conference to Combat Racism and Racial Discrimination. The decisions elaborated by that Conference were a very helpful contribution to the efforts to combat racism and colonialism and to encourage respect for human rights and fundamental freedoms.

107. The Soviet Union delegation supported the Declaration and the Programme of Action adopted by the World Conference. 20/ It was profoundly convinced that the Trusteeship Council, since it monitored the activities of the Administering Authority in the Trust Territory of the Pacific Islands, was duty-bound to support those documents and to take effective steps in order to implement them, particularly since the activities of the Administering Authority in the Trust Territory in that particular area were far from being an exemplary fulfilment of the tasks incumbent upon it under the Charter, the Trusteeship Agreement and the decisions of the United Nations.

108. The representative of the Soviet Union further stated that the Administering Authority continued to refuse to transmit to the Trusteeship Council full and reliable information regarding how it had fulfilled in the Trust Territory the provisions of the Charter and the international documents that prohibited racial discrimination and protected human rights in dependent Territories. At the same time, even the information available to the members of the Trusteeship Council showed that not everything was running smoothly in the Territory in that particular area.

109. He referred to the serious problems that had arisen as a result of the tests of atomic and hydrogen weapons which had gone on in Micronesia for many years, although there was not a single provision of the Charter or the Trusteeship Agreement that permitted turning the Trust Territory into a testing ground for nuclear weapons. On the contrary, in those documents the Administering Authority was called upon to create all the necessary conditions to bring the Territory to independence. The tests had not only led to harmful effects on the environment but had also had a very negative effect on the social and economic conditions of the inhabitants of the Territory and on their health.

110. The representative of the Soviet Union said that it was clear from the statements made by the petitioners and the documents they had supplied to the Trusteeship Council that in transferring the inhabitants from the land taken over for nuclear tests and locating them elsewhere, the Administering Authority had been guided by its own military interests and not by the principles pertaining to the observance of human rights or by the interests of the population of those islands. He referred to a report of the Controller-General of the United States which stated quite clearly that the inhabitants of Enewetak who more than 30 years ago had been removed from their island because of nuclear contamination, had undergone great physical privation, since they currently lived on a much smaller atoll with increased population density, as well as psychological disturbances as a result of being forcibly expelled from their traditional lands.

111. The representative of the Soviet Union also referred to the fate of the inhabitants of the Bikini atoll, who in the course of two decades had twice been deceived by the Administering Authority, suffering not only because of the effects

20/ Ibid. (United Nations publication, Sales No. E.79.XIV.2), chap. II.

of relocation but also because of having to live a considerable portion of their lives on an atoll contaminated by radioactivity. In those conditions, the Trusteeship Council should have been much stricter about assertions by the Administering Authority that respect for human rights and the elimination of racial discrimination were proceeding smoothly in the Territory, and should call upon the Administering Authority immediately to take steps to implement in deeds the relevant provisions of the Charter, the Universal Declaration of Human Rights and the International Convention on the Elimination of All Forms of Racial Discrimination.

112. The Soviet Union representative pointed out that the Council should also co-operate closely with the Committee on the Elimination of Racial Discrimination, as required by the relevant resolutions of the General Assembly.

113. The representative of the Soviet Union noted that the report of the Committee on the Elimination of Racial Discrimination contained quite definite and serious criticisms of the Trusteeship Council and that the Committee, expressing regret that none of the reports contained adequate information on the civil, political, social, economic and cultural rights of the inhabitants of the Pacific Islands, requested that information on the constitutional developments and progress towards self-determination, with special attention to the possible maintenance of the unity of the Territory, taking due account of the wishes of the population of the Pacific Islands, be provided in the future.

114. The representative of the Soviet Union considered that a positive response and also corresponding action by the Trusteeship Council were made incumbent by the request by the General Assembly that the Council take an active part in the Decade for Action to Combat Racism and Racial Discrimination.

115. With reference to the remarks made by the representative of the Soviet Union that the Council did not send a representative to the World Conference to Combat Racism and Racial Discrimination held in August 1978, the President of the Council recalled that, on 8 June 1978, at its forty-fifth session, the Council had in fact decided, without objection, to authorize its President to transmit a message to the Secretary-General.

116. At its 1493rd meeting, the Trusteeship Council decided, without objection, to take note of the statements made at that meeting.

J. DISSEMINATION OF INFORMATION ON THE UNITED NATIONS AND THE INTERNATIONAL TRUSTEESHIP SYSTEM IN TRUST TERRITORIES

117. The annual report of the Secretary-General 21/ on the arrangements undertaken in co-operation with the Administering Authority for distributing official records of the United Nations and disseminating information concerning the aims and activities of the United Nations and the International Trusteeship System in the Trust Territory was submitted to the Council at its forty-sixth session, in accordance with the provisions of Trusteeship Council resolution 36 (III) of 8 July 1948 and General Assembly resolution 754 (VIII) of 9 December 1953.

21/ Official Records of the Trusteeship Council, Forty-sixth Session, Sessional Fascicle, annexes, document T/1807.

118. The report, covering the period from 1 May 1978 to 30 April 1979, set out the activities carried out by the Department of Public Information of the Secretariat, through its information centre in Tokyo, in disseminating information on the United Nations.

119. The report indicated that during and following the Council's forty-fifth session the Radio Service of the Department of Public Information had included in its weekly news programme - "This Week at the UN" - on 19 May and 2 June 1978, the highlights of the Trusteeship Council's debates and decisions. The Radio Service had dispatched those 15-minute radio tapes by airmail to Micronesia for the use of all radio stations in the Territory's six districts.

120. It was also indicated in the report that all radio tapes produced weekly and monthly at United Nations Headquarters, including those dealing with economic and social development issues, were sent directly by airmail to radio stations in the six districts of Micronesia. Those radio programmes were: "This Week at the UN", "Perspective", "Scope", and "Asian Spotlight".

121. Furthermore, it was stated in the report that the Visual Service of the Department of Public Information had granted stations WSZE (AM, FM, TV) in Saipan and KUAM (AM, FM, TV) in Guam the use of United Nations films free of charge. That arrangement would be extended to the new television stations to be established in the Western Caroline Islands (Palau) and other administrative districts.

122. The report stated that the Department of Public Information had decided to set up a United Nations film library in Micronesia. Prints of selected United Nations films would be assigned through the information centre in Tokyo to the College of Micronesia for use throughout the Trust Territory. The College would undertake to publicize its collection of United Nations films and promote their widest possible use, enlisting for that purpose the assistance of college extension officers in each district and all other available channels of communication. The Department of Public Information had already sent 18 films to the College and more would be transmitted after ascertaining the circulation of the initial selection of films.

123. It was also stated that another area in which the Department of Public Information had made improvements was the distribution of the Weekly News Summary, which was practically the only source of up-to-the-minute information about the United Nations available to the people in Micronesia, some of whom - government officials, radio broadcasters, teachers - needed it in their work.

124. The report of the Secretary-General indicated that information materials, including the text of the Declaration on the Granting of Independence to Colonial Countries and Peoples, had been distributed to the Trust Territory and its local districts. The Department of Public Information, through the information centre in Tokyo, had airmailed to the Office of the High Commissioner in Saipan the serial publications Decolonization and Objective: Justice, along with pamphlets, posters and photographs on disarmament and human rights.

125. The report further indicated that the Director of the United Nations Information Centre in Tokyo had visited Truk, Ponape and Saipan in 1978 as a follow-up to his first exploratory mission to Micronesia in December 1977. In the course of 1979, he would visit Yap, Palau, Kosrae and the Marshall Islands.

126. On his last trip, following a review of the question of dissemination of information in Micronesia with officials of the Trust Territory, the Director of the centre had concluded that, despite its special status as a United Nations Trust Territory and the special effort made by the Administering Authority and by the United Nations itself over the years to disseminate information about the work of the United Nations throughout the islands, Micronesia as a whole was still very much in need of more information.

127. On his return to Tokyo, the Director of the centre had transmitted to the appropriate officials in Micronesia a circular giving the basic particulars of the centre and the names and addresses of information officers attached to the main Asian and Pacific regional offices of the United Nations and its specialized agencies.

128. The Director had then worked on a distribution system to serve as the cornerstone of the centre's programme of action for Micronesia. Essentially, the system consisted of setting up an official point of contact at the Trust Territory headquarters for all matters pertaining to United Nations information services to Micronesia and establishing mailing lists.

129. The report of the Secretary-General stated that the information centre in Washington, D.C., had continued to perform valuable liaison and public relations work with the Micronesian Government and congressional leaders visiting the United States and to keep up its mailing list of legislative staff in the offices of United States congressmen and senators, to whom documents and press releases of the forty-fifth session of the Trusteeship Council were promptly distributed.

130. The Trusteeship Council considered the Secretary-General's report at its 1493rd and 1494th meetings, on 6 and 13 June 1979.

131. During the consideration of the report, a representative of the Department of Information appeared before the Council and provided information on the dissemination of information on the United Nations in the Trust Territory. He stated that, as reflected in the Secretary-General's report, the Department had taken a number of innovative steps during the period under review in order to make its informational work in the Trust Territory a significant contribution, both in quality and in quantity, in the life of the Micronesians.

132. He assured the Council that the Department of Public Information would persist in its efforts to keep the people of the Territory fully informed on United Nations goals and activities, as well as the purposes and principles of the International Trusteeship System, and that the Department was confident that an effective information programme of action would bring the Micronesian leaders and their constituencies to see the United Nations in the proper light, that is, as a powerful instrument for economic and social development, for national growth and for international co-operation.

133. In response to clarifications sought by the representative of the Union of Soviet Socialist Republics, the representative of the Department of Public Information said that the recordings of all Trusteeship Council debates had been provided in English to the Trust Territory through the Chief of the Broadcasting Division of the Trust Territory Administration on Saipan for use by all six radio stations in the Trust Territory. In addition, and as stated in the report of the Secretary-General, the Radio Service had produced two special 15-minute radio tapes,

apart from the recordings of the debates, on the highlights of the Council's debates and decisions and had sent them by airmail to Micronesia for use by all radio stations in the Territory.

134. He further stated that the information centre in Tokyo had distributed 61 copies of official Trusteeship Council records to 10 addresses in the Trust Territory supplied by the Administering Authority, including those of the libraries of the district legislatures, offices of the district administrators and the mass media.

135. The representative of the United States stated that, besides the regular weekly and monthly radio programmes mentioned at the Council's forty-fifth session, several UNESCO programmes of educational interest had been duplicated for distribution in the Trust Territory, ranging from a programme entitled "Albert Einstein" to one entitled "Climate and Soils". He further stated that printed materials from the United Nations had been received periodically and distributed by the Bureau of Education and the Education for Self-Government Program. The quantity and variety of materials received had increased, owing primarily to an improved source of distribution to the Trust Territory through the United Nations Information Centre in Tokyo. That had also brought about the possibility of distributing many publications in Japanese as well as English.

136. The United States representative said that other United Nations publications distributed to school and public libraries in the Trust Territory included: Facts about UNICEF, 1977; Annual Report by the Administering Authority, 1977; ESCAP In Brief; Provisional verbatim transcripts of the forty-fifth session of the Trusteeship Council; ESCAP Today; and Basic Facts about the United Nations, 1977. In addition, the following periodicals had been distributed throughout the Territory: United Nations Press Release - weekly news summary; UN Chronicle; Objective; Justice; UNESCO Courier; and International Year of the Child Report. The Administering Authority had also distributed a wide variety of posters and other materials related to the International Year of the Child.

137. The representative of the United States, indicating that United Nations radio programmes and printed materials were widely distributed throughout the Trust Territory, welcomed the continued efforts made by the Department of Public Information, through the information centre in Tokyo, to undertake increased dissemination of United Nations information in the Territory.

138. At the 1494th meeting, the Trusteeship Council decided, without objection, to take note of the report of the Secretary-General.

K. OFFERS BY MEMBER STATES OF STUDY AND TRAINING FACILITIES FOR INHABITANTS OF TRUST TERRITORIES

139. The United Nations programme of scholarships for inhabitants of Trust Territories was initiated pursuant to General Assembly resolution 557 (VI) of 13 January 1952. Under the procedure approved by the Trusteeship Council for the administration of this programme, the Secretary-General was invited to submit to the Trusteeship Council at least once a year a report containing all appropriate details of the programme.

140. The report of the Secretary-General submitted to the Council at its forty-sixth session 22/ covered the period from 25 May 1978 to 24 May 1979. Up-to-date information concerning the scholarships made available under the programme, as well as the extent to which awards had been made to, and utilized by, students from the Trust Territory of the Pacific Islands, was requested by the Secretary-General in a note dated 12 April 1979, addressed to each of the 11 Member States that had offered scholarships under the programme. In a note dated 23 May 1979, the Permanent Mission of the Union of Soviet Socialist Republics to the United Nations informed the Secretary-General that, at present, no inhabitants from the Trust Territory were studying in the Soviet Union.

141. At its 1491st meeting, on 30 May 1979, the Council considered the report of the Secretary-General on the scholarship programme for inhabitants of the Trust Territory of the Pacific Islands.

142. During the consideration of the report, the representative of the United States said that one of the greatest achievements in the development of the Trust Territory had been the advancement of education. His Government continued to make every effort to prepare Micronesians for responsibilities which they were already assuming as the end of the trusteeship period approached. The Administering Authority was offering opportunities for expanded higher education not only within Micronesia but also in the United States through its government programmes.

143. He stated that, during the year under review, a total of 1,150 grants and loans had been made to Micronesian students by the Government of the Trust Territory and from special federal programmes. It was estimated that 1,500 students were studying in colleges outside the Trust Territory with private support and through direct federal student assistance programmes.

144. The representative of the United States informed the Council that, on 6 April 1979, the Guam Legislature had taken action to lower tuition fees for Trust Territory students who pursued their studies at the University of Guam. Micronesians attending that university would as of that time be considered residents of Guam for that purpose. The measure would reduce the cost of tuition for Micronesian students by 60 per cent, at an estimated saving of \$US 75,000 annually.

145. The United States representative pointed out that the Government of the Trust Territory continued to give maximum publicity to educational opportunities available outside the Trust Territory. Information on scholarships and fellowships offered by States Members of the United Nations was disseminated in the Trust Territory through educational institutions. Although language differences made it difficult for Micronesians to take full advantage of the offers of scholarships made by States Members of the United Nations, a number of scholarships had nevertheless been accepted. His Government was grateful to those countries which had extended such assistance and it would encourage other States Members, particularly those in the Pacific region, to offer further educational opportunities.

146. At the same meeting, the Trusteeship Council decided to take note of the report of the Secretary-General on the scholarship programme.

22/ Ibid., document T/1809.

PART II. CONDITIONS IN THE TRUST TERRITORY OF THE
PACIFIC ISLANDS

A. GENERAL

1. Outline of conditions

Land and people

147. The Trust Territory of the Pacific Islands consists of three archipelagos: the Marshalls, the Carolines and the Marianas. The island of Guam in the Marianas is not a part of the Trust Territory but is an unincorporated Territory of the United States. The three archipelagos include more than 2,100 islands and atolls scattered over an area of some 7.8 million square kilometres of the western Pacific, north of the Equator. The islands and atolls of the Trust Territory have a combined land area of approximately 1,854 square kilometres.

148. According to the 1977 estimates, the population of the Territory totalled 126,239. The distribution of the population in the Trust Territory was as follows: Truk, 35,220; Marshall Islands, 27,096; Ponape, 21,187; Northern Mariana Islands, 16,264; Palau, 13,519; Yap, 8,482; and Kosrae, 4,471.

149. The people of the Trust Territory are broadly classified as Micronesians, except for about 1,000 inhabitants of the outlying islands of Kapingamarangi and Nukuoro and a scattering of individuals of other racial groups. Language differences exist in the Territory, although each island language has a common Malayo-Polynesian source. Nine major languages, with dialect variations, are spoken in the Trust Territory: two in Yap, three in Ponape and one in each of the other districts and the Northern Mariana Islands.

150. At its forty-fifth session, the Trusteeship Council noted the statements by Senator Bailey Olter, Special Adviser, regarding the lack of progress in transferring the executive and judicial branches of the Government to Ponape. The Council believed that, in the interests of efficiency and good management, all government bodies should be located in the same place. Accordingly, it recommended that, after the referendum to be held on 12 July 1978, the Administering Authority should take all appropriate steps to ensure that the three branches of the Government were set up close to one another.

151. In the annual report under review covering the period from 1 October 1977 to 30 September 1978 (T/1803), the Administering Authority states that as a result of the referendum held on 12 July 1978, discussions and planning for the location on Ponape of the executive and judicial branches of the Government of the Federated States of Micronesia have begun and that actions are under way to locate all branches of the Government of the Federated States of Micronesia in the same place.

Population movements

152. At its forty-fifth session, the Trusteeship Council noted with satisfaction the progress made in the period 1977-1978 with regard to the long-standing problems created in the Marshall Islands District by the situation of the displaced population groups.

153. The Council regretted, however, that the earlier statements by the Administering Authority to the effect that the island of Bikini was once again fit for habitation had been contradicted by the latest analyses, which had revealed the presence of radioactive elements in crops. The Council took note of the Administering Authority's position that normal community life could not be maintained on Bikini.

154. The Council noted with interest that the United States Congress had before it a request for \$US 15 million to permit the resettlement of the population concerned. It noted that the Administering Authority envisaged the possibility of using other islands of the Bikini atoll for that purpose and, in particular, of improving existing facilities on Kili Island. The Council urged the Administering Authority to take all necessary steps to ensure that the health of the present inhabitants of Bikini was not further endangered.

155. The Council took note of the information that the programme for the clean-up of Enewetak was proceeding according to schedule and that the rehabilitation and resettlement work was progressing smoothly. It noted with satisfaction the statement by the Administering Authority that all such work would be completed in 1980.

156. The Council also noted with satisfaction the adoption of Public Law 95-134 of 15 October 1977, which provided compensation for the inhabitants of the Bikini, Rongelap and Utirik atolls who had been exposed to radiation, as well as for the payment of such compensation to the heirs of those who had died, and for continued medical care. The Council was pleased to learn that the appropriate departments were engaged in implementing that Law and hoped that all those concerned would soon receive compensation.

157. The current annual report of the Administering Authority states that the situation of the displaced population groups of the Marshall Islands has long been a major concern and that an effort has been made by the Administration to resettle those people in a satisfactory way. The report further states that close attention will be paid to the problem and that the search for a satisfactory solution will proceed on a priority basis.

158. According to the annual report, the fitness of Bikini atoll for habitation continues to be a serious question. There are conflicting interpretations on the radiation levels on other islands of the atoll and their potential impact on the health of residents. The Administering Authority regrets that ambiguous situation and is most anxious to resolve the problem and allow for the resettlement of Bikini, but not at the expense of the health and lives of the Bikinians. While it is most anxious to resettle satisfactorily the displaced persons of Bikini, it cannot, in good conscience, do so until portions of Bikini atoll have been declared to have acceptable radiation levels or a mutually acceptable alternative to resettlement on that atoll has been developed. The Administering Authority will continue to

investigate the levels of radiation present on Bikini atoll and what constitutes an acceptable radiation level for safe habitation. If normal community life on Bikini atoll is found to be impossible, alternative solutions will be investigated.

159. The annual report states that the clean-up of Enewetak continues to proceed according to schedule, and that rehabilitation should be completed in 1980. Some reforms are currently being undertaken in the assessment of the contamination present on the northern islands of the atoll. If those islands are determined to have levels of radiation satisfactory for habitation, the rehabilitation and resettlement programme will be modified to allow for the resettlement of families on Enjebi. However, even with the modification, the resettlement should still be completed in 1980.

160. With regard to the question of compensation for the people of the Bikini, Rongelap and Utirik atolls, the current annual report points out that Public Law 95-134 has been implemented. In 1978, \$US 1,239,000 was paid to the people of the Rongelap and Utirik atolls who were exposed to radiation as a result of a thermonuclear detonation at Bikini atoll in 1954. Payment to 46 individuals (heirs of those had had died) is in progress.

161. In its report, the United Nations Visiting Mission to observe the referendum in the Marshall Islands, Trust Territory of the Pacific Islands, March 1979, 23/ notes that approximately one third of the labour force of Ebeye is employed at the nearby Kwajalein missile range, one third is employed locally and the remainder is unemployed.

162. The Mission observes that Ebeye presents all the characteristics of an over-populated and under-developed agglomeration. The families established there comprise on the average 13 people, who live together in a very small area.

163. According to the Mission, administration officials in Ebeye drew its attention to three urgent major problems: the lack of water resources, the defects in the drainage disposal system and inadequate electric power. Beyond those immediate problems, solutions for the future of Ebeye must be considered on a medium-term and long-term basis. If nothing is done to arrest or reverse recent developments, very serious difficulties can be expected. The authors of the proposed development plan for the Marshall Islands have studied the problem carefully. They propose to encourage those who have emigrated to Kwajalein to return to their atolls of origin where an effort would be made to better their living conditions. In addition, a programme would be undertaken to develop other islands of the Kwajalein atoll where another section of the population of Ebeye would be established while continuing to be employed at the missile range. The Mission observes that the plan appears reasonable and hopes that the resources required for its implementation can be found.

War and post-war damage claims

164. War damage claims by the inhabitants of the Trust Territory fall into two broad categories: claims against the Japanese Government, mainly for damages sustained by the indigenous inhabitants during the Second World War, and post-war claims against the Government of the United States.

23/ Ibid., Supplement No. 3 (T/1805), paras. 147-150.

165. On 18 April 1969, the Governments of the United States and Japan signed an agreement providing for the settlement of Micronesian war claims, under the terms of which the two Governments joined in an ex gratia arrangement to make a contribution towards the welfare of the inhabitants of the Territory. Japan agreed to make available in grants to the United States, in its capacity as Administering Authority, 1.8 billion yen, then computed at the equivalent of \$US 5 million. The United States, for its part, agreed to establish a fund in the amount of \$US 5 million.

166. The Micronesian Claims Act of 1971 (United States Law 92-39) established a Micronesian Claims Fund to consist of the contributions of the United States and Japan pursuant to the agreement referred to above. The Act also established a Micronesian Claims Commission with authority to receive, examine, adjudicate and render final decisions with respect to: (a) claims for damage directly resulting from the hostilities between the United States and Japan between 7 December 1941 and the dates of the securing of the various islands of Micronesia by the United States (Title I claims); and (b) claims arising as post-war claims between the dates of securing of the various islands by the United States and 1 July 1951 (Title II claims).

167. The Act authorized an appropriation of \$US 20 million for the settlement of post-war claims by Micronesian inhabitants against the United States or the Government of the Trust Territory because of personal injury or material damage, including claims for the acquisition, use or retention of property without adequate compensation, provided that the accident or incident out of which the claim arose occurred prior to 1 July 1951.

168. The Micronesian Claims Commission completed its work on 30 July 1976 and issued its final report shortly thereafter. In that report, the total amounts awarded and certified by the Commission were \$US 34,349,509 under Title I and \$US 32,634,403 under Title II, leaving unpaid balances of about \$US 24.3 million and \$US 12.6 million respectively.

169. At the forty-fifth session of the Trusteeship Council, the representatives of the Administering Authority reported that United States Public Law 95-134 (see para. 156 above) had authorized the appropriation of funds required to satisfy all adjudicated claims and the final awards made by the Micronesian Claims Commission under Titles I and II of the 1971 Act. Although the law authorized full payment of such awards, it provided that no further payments be made on Title I awards until the Government of Japan had contributed its share to the Trust Territory in goods and services and that payment of awards made under Title II were exclusive of interest from such awards.

170. At the same session, Representative Raymond Setik, Special Adviser, said that House Joint resolution 7-92, adopted during the seventh session of the Congress of Micronesia in 1978 (see T/COM.10/L.229), had urged the Government of Japan to pay its full share of Title I claims. The Special Adviser requested that in its report to the Security Council the Trusteeship Council should give the matter appropriate emphasis and that the President and members of the Trusteeship Council should use their good offices in conveying the importance and the urgency of the request to the Government of Japan.

171. The representative of the United States stated at the same session that article III of the 1969 agreement between the United States and Japan concerning

the settlement of war claims provided that all claims against Japan had been fully and finally settled, and that in the accompanying exchange of notes the United States had confirmed that Japan and its nationals were fully and finally discharged from all liability for Micronesian claims falling under article III of the agreement, including claims arising out of the involvement of the Trust Territory in the Second World War. Accordingly, the United States did not consider that Japan was legally obliged to provide further payment.

172. The representative of the United States further stated that his Government was aware of the strongly held view of the Micronesians that full compensation should be paid for Title I claims in accordance with the awards of the Micronesian Claims Commission. The Government of the United States was also aware of the interest of the members of the Trusteeship Council in that question. The Congress of the United States, in enacting Public Law 95-134, had expressed the desire of the United States to participate in such payment. The representative assured the Council that his Government, as the Administering Authority of the Trust Territory, was mindful of its obligations in that respect.

173. At the same session, the Trusteeship Council reiterated its concern over the fact that war and post-war damage claims had not yet been settled. It noted with satisfaction, however, that the United States Congress had passed and the President of the United States had approved Public Law 95-134, which authorized the United States Government to pay 50 per cent of the balance outstanding under Title I and 100 per cent of the balance outstanding under Title II.

174. The Council welcomed with satisfaction the statement by Representative Setik, Special Adviser, that the United States Senate had recently allocated the sum of \$US 12 million for payment in full of claims under Title II. It hoped that the United States House of Representatives would approve that decision very soon.

175. With regard to claims under Title I, the Council noted with concern that the United States would pay the outstanding balance only when the Japanese Government had supplied Micronesia with goods and services, the value of which was estimated to be equivalent to half the balance outstanding under Title I. Similarly, it noted that the United States did not regard Japan as legally bound to make those payments. Nevertheless, it hoped that the United States Government would pursue its efforts to resolve that problem satisfactorily.

176. Moreover, the Council, noting the serious concern expressed by the Special Advisers in that connexion, requested the President of the Council to contact the parties concerned in order to ensure that they settled that issue in one way or another, in the best interests of the population.

177. At the fourteenth special session of the Trusteeship Council, the Council's Acting President reported that, in respect of war and post-war damage claims, she had called on the Permanent Representative of Japan to the United Nations and the Deputy Permanent Representative of the United States to the United Nations in order to explain to them the concern of the Council that that matter should be speedily resolved in the interests of the people of Micronesia. The Acting President stated that both parties had undertaken to report her démarche to their Governments.

178. Referring to United States Public Law 95-134, which authorized the payment of the total awards made by the Micronesian Claims Commission under Title I (\$US 34,349,509), and Public Law 95-465 of 17 October 1978, which made available

\$US 12.6 million to cover the unpaid balance of the total awards made by the Commission under Title II (\$US 32,634,403), the current annual report states that action to pay the claims under Title II began upon the receipt of authorization issued by the Department of the Interior on 25 October 1978. The report further states that a total of \$US 10,285,264 was paid in late 1978 to 1,662 claimants, which represented the full amount of their claims under Title II. There is, accordingly, an unpaid balance of \$US 3,629,468 for 270 claimants who have not returned receipts releasing the Administering Authority from future liability.

179. In its annual report, the Administering Authority states that it had earlier paid the sum of \$US 18,719,671 to claimants under Title II, which together with subsequent payments made (see para. 178 above) represents the total awards made by the Micronesian Claims Commission of \$US 32,634,403. The annual report points out that the Administering Authority continues to favour a prompt resolution of the issue concerning Micronesian war damage claims in a manner acceptable to all parties and that it is investigating a possible solution to the problem.

2. Discussion in the Council and opinions expressed

Land and people

180. At the forty-sixth session of the Trusteeship Council, Mr. Juan A. Sablan, Deputy High Commissioner and Special Representative, stated that \$US 200,000 had been made available for an architectural and engineering study on the location of the permanent capital of the Federated States of Micronesia in Ponape. For the interim period, \$US 300,000 had been made available to the Federated States for the renovation of the old Ponape Hospital to serve as a temporary facility.

181. At the same session, Senator Olter, Special Adviser, stated that the main concern of the Federated States in the renovation of the existing facilities was that, although there was enough space to locate the offices there, it was inadequate for living facilities, especially if they were to recruit people from the various states and other areas.

182. The Special Adviser also stated that Ponape did not have the physical facilities or infrastructure required to enable the Government of the Federated States of Micronesia to function. The first phase of planning for the facilities required for the capital of the Federated States had been completed and reviewed by the Capital Relocation Committee and a final plan would be submitted in August 1979. The Special Adviser added that construction of the facilities for the new capital should be completed so that the Government could carry out its obligations and responsibilities. He appealed to the Trusteeship Council to assist the Federated States in obtaining assistance expeditiously from the Administering Authority to construct those facilities.

183. Senator Benjamin Manglona, Special Adviser, expressed the concern of the people of the Northern Mariana Islands with respect to the potential danger of the storage of nuclear waste materials in their area of the world. There had been allegations in May 1979 that the United States Navy based on Guam had inadvertently discharged some nuclear waste into the surrounding waters. That alleged incident was currently being investigated. Their islands were currently free from the direct dangers of nuclear contamination and the people requested that the

Trusteeship Council exert its influence to ensure that the Northern Mariana Islands continued to enjoy freedom from the grave danger that was created by the presence of nuclear waste materials.

184. The representative of France said that his delegation was struck by the figures in the report of the Administering Authority and by what had been said by Messrs. Camacho and Olter, Special Representative and Special Adviser, respectively, about the population explosion in the Trust Territory. In view of the Territory's present lack of resources, the shortage of available land and the social and economic problems which would rapidly emerge as a result of the increase in the number of young people, the French delegation believed it was essential to ask the Administering Authority to launch an intensive publicity campaign on family planning. At the present rate of population growth, the new Micronesian states would find themselves in situations where they would be more and more at the mercy of foreign aid and would run the risk of permanent political instability.

185. The representative of the Union of Soviet Socialist Republics, referring to the military activities of the Administering Authority in the Territory, drew the attention of the Trusteeship Council to the fact that those activities had for a long time constituted a serious danger not only to the people of Micronesia, but also to the peoples of Asia and Oceania, as well as the entire world community. The atolls of Bikini and Enewetak had at one time been subjected to atomic tests. The serious results of those tests to the Micronesians were well-known. To this very day, not only the land but also the water beneath it had remained radioactive. From statements at the forty-sixth session of the Council, it had been made known that the waters around the Northern Mariana Islands were threatened by radioactive contamination from the nuclear waste recently discharged there by the United States.

Population movements

186. At the forty-sixth session of the Trusteeship Council, the representative of the United States said that the search for solutions to the problems of the Bikinians had been of high priority to his Government. However, it was now estimated that it would be another 30 to 60 years before Bikini was safe for agricultural purposes. Efforts had, therefore, been concentrated on improving conditions for Bikinians living on Kili. The majority of the Bikinians did not wish to remain on Kili permanently, primarily because of difficult access to the island. However, a survey was under way to determine the feasibility of an all-weather dock for Kili; should that not prove feasible, the alternative proposal was to build a short-range airstrip. Exploration was also currently under way by the Bikinians and the High Commissioner of the Trust Territory for other areas of resettlement.

187. The representative of France, referring to the situation with regard to the people of Bikini, said that his delegation shared the disappointment and bitterness of those who had thought that the Bikinians would be able to return to their island in 1978. Nevertheless, his delegation did not doubt that the United States would systematically continue to control and supervise the evolution of the effects of radiation on the environment of the contaminated atolls. Particularly, the French delegation did not doubt that the United States would continue to provide every possible assistance for the resettlement of the Bikinians and for the proper treatment of those whose health had been affected.

188. The representative of the United Kingdom stated that another long-standing problem which demanded and received the closest attention of the United States had been that of finding a permanent and satisfactory home for the people of Bikini atoll. His delegation welcomed the assurances given by the representatives of the Administering Authority that the long-term medical needs of the Bikinians would continue to be met by the United States. It hoped that the Administering Authority and the Government of the Marshall Islands would give the highest priority to working together with a view to finding a suitable home for the Bikinians.

War and post-war damage claims

189. At the forty-sixth session of the Trusteeship Council, Senator Manglona, Special Adviser, stated that the unwillingness of the Government of Japan to acknowledge its obligation to pay 50 per cent of its share of claims under Title I had prompted the Committee on Interior and Insular Affairs of the House of Representatives of the United States Congress to deal with that problem realistically. In doing so, it had included in its report to the Committee on the Budget a request for 50 per cent of its share under Title I to be authorized pursuant to Public Law 95-134, and had committed itself to enact legislation authorizing that payment without making it dependent upon the payment by Japan of its share. That was a progressive step and, as a result, it was now necessary to concentrate their efforts on making that proposal a reality and finalizing the question relating to the payment by Japan of its share under Title I. The ex gratia payment of \$US 5 million each by the Governments of Japan and the United States, pursuant to the 1969 Agreement, had represented only a small percentage of the claims under Title I, of which there was still a balance of about \$US 24.3 million. He sincerely believed that Japan had a moral and legal responsibility to accord full restitution to the aggrieved Micronesians for the damage they had experienced.

190. Senator Olter, Special Adviser, said that, although the payment of war damage claims had been designated ex gratia, he did not recognize those payments as such, since they were required by international law and justice. The claims had arisen from a war for which Micronesia had no legal or moral responsibility and its war damages had been adjudicated and recognized by the Micronesian Claims Commission.

191. The representative of the United States said at the same session that, in its contact with the Government of Japan concerning the claims under Title I, the United States Government had indicated its concurrence with the position of that Government that there was no longer a legal claim which could be considered viable against either Government. He emphasized, however, that his Government's approach to the problem was based upon its understanding that there was a moral claim of substantial proportions.

192. With respect to the war damage claims, the delegation of France appealed to the authorities concerned to transcend strictly legal considerations or rigid principles in order to find an arrangement which would make it possible to close that matter which was the sad result of a war that had ended 35 years ago.

193. The representative of the United Kingdom said that, although many of the war damage claims had been settled, it was a cause of concern to all that the claims under Title II, which amounted to a substantial sum of money, were still outstanding.

There was no point in trying to apportion blame for that state of affairs, beyond saying that if anyone at all was to blame, it was certainly not the victims of the damage themselves.

194. The United Kingdom delegation welcomed the information that legislative steps were being considered by the United States Congress which would make possible a further disbursement of funds. But it was conscious that even if those steps were taken, they would not themselves produce a complete and final solution. The Delegation of the United Kingdom urged all concerned to lend their best efforts to resolving that matter urgently, and certainly before the termination of the Trusteeship Agreement. It hoped that they would approach the matter in a spirit of humanitarian concern to overcome the legal complications which had frustrated the search for a solution during the 1970s.

B. POLITICAL ADVANCEMENT

1. Outline of conditions

General political structure

195. Executive and administrative authority for the Government of the Trust Territory and responsibility for carrying out international obligations undertaken by the United States with respect to the Territory are vested in a High Commissioner appointed by the President of the United States and confirmed by the United States Senate.

196. At its second regular session, in February/March 1974, the Fifth Congress of Micronesia passed an act (Senate Bill No. 38) calling for a constitutional convention for Micronesia. This act was signed into law (Public Law 5-60) by the High Commissioner of the Trust Territory. The constitutional convention began its work on 12 July 1975 and concluded it on 8 November 1975 with the signing of a draft constitution for a proposed Federated States of Micronesia. 24/

197. In a referendum held on 12 July 1978, Kosrae, Ponape, Truk and Yap approved and ratified the draft constitution, while the Marshall Islands and Palau rejected it. 25/ Consequently, the Marshall Islands and Palau, having rejected that constitution, continued with the drafting of their own constitutions.

198. On 21 December 1978, the Constitutional Convention of the Marshall Islands adopted a draft constitution and, in a referendum held on 1 March 1979, the majority of the voters of those islands approved it. 26/

199. On 29 September 1978, the Secretary of the Interior issued Secretarial Order No. 3027, which provided for an interim legislative authority for Kosrae, Ponape, Truk and Yap, constituting the Federated States of Micronesia, and for the Marshall Islands and Palau districts. This authority resides in the Interim Congress of the Federated States of Micronesia for Kosrae, Ponape, Truk and Yap. For Palau and the Marshall Islands, the authority was vested in the Palau District Legislature and the Marshall Islands Nitijela respectively.

200. The authority of each of the three legislatures is coextensive. Each enjoys the same relations with the executive branch of the Government of the Trust Territory but the authority and responsibility of each not extend beyond the district which elected members to it.

24/ For the text of the draft constitution, see T/COM.10/L.174, annex I.

25/ For the report of the United Nations Visiting Mission to observe the referendum in the Trust Territory of the Pacific Islands, 1978, see Official Records of the Trusteeship Council, Forth-sixth Session, Supplement No. 2 (T/1795).

26/ For the report of the United Nations Visiting Mission to observe the referendum in the Marshall Islands, Trust Territory of the Pacific Islands, March 1979, see Official Records of the Trusteeship Council, Forty-sixth Session, Supplement No. 3 (T/1805).

201. The executive power of the Northern Mariana Islands is vested in a Governor who is responsible for the execution of the laws. Legislative power is vested in a Northern Marianas Commonwealth Legislature, composed of a Senate and a House of Representatives.

202. Judicial authority is independent of the executive and the legislatures. The High Court is the highest judicial authority in the Territory. There are also district courts and community courts.

203. The judicial power of the Federated States of Micronesia is vested in a Supreme Court and subordinate courts established by statute. In the Marshall Islands, the judicial power resides in a Supreme Court, a High Court, a Traditional Rights Court and other subordinate courts. In the Northern Mariana Islands, judicial power is vested in a judiciary of the Northern Mariana Islands, which includes trial and appeals courts established by the Legislature.

Territorial Government

Legislatures

204. The Congress of the Federated States of Micronesia is a unicameral body. The Congress consists of one member elected from congressional districts in each State apportioned by population. Members elected on the basis of State equality serve for four years, and all other members for two years. A State may provide for one of its seats to be set aside for a traditional leader.

205. Members of the Congress are elected by residents of the Federated States of Micronesia who are 18 years of age or older. The first general election under the new Constitution took place on 27 March 1979.

206. The Northern Marianas Commonwealth Legislature is a bicameral body, consisting of a Senate and a House of Representatives. The Senate has nine members elected at large for four-year terms from each of the three senatorial districts. The House of Representatives has 14 members elected for two-year terms. Twelve members of the House are elected from Saipan and the islands north of it, one member is elected from Rota and one member from the combined electorates of Tinian and Aguiguan.

207. Members of the Legislature are elected by residents of the Commonwealth of the Northern Marianas, 18 years of age or older, who are registered voters. The first general election took place on 10 December 1977.

208. The legislative power in the Marshall Islands is vested in the Nitijela, consisting of 33 members. A general election is held every four years. The President of the Marshall Islands may, however, dissolve the Nitijela at any time if a motion of no confidence in the Cabinet has twice been carried and has twice lapsed, and if no other President has held office in the interval between the two votes of no confidence. He may also do so if no cabinet has been appointed within 30 days after the date on which the Nitijela has proceeded to elect a President for any reason other than the resignation of the President following a vote of no confidence.

209. Members of the Nitijela are elected by citizens of the Marshall Islands, 18 years of age or older, who are qualified voters. The first general election under the new Constitution took place on 10 April 1979.

210. There is also the Council of Iroi of the Marshall Islands consisting of 12 eligible persons. It considers, inter alia, bills affecting the customary law, any traditional practice, land tenure or any related matter adopted by the Nitijela.

211. Pursuant to Secretarial Order No. 3027, an interim legislative authority is vested in the District Legislature in Palau. On 2 April 1979, however, the Constitutional Convention of Palau adopted a draft constitution. A referendum on that constitution was scheduled to be held on 9 July 1979.

212. At its forty-fifth session, the Trusteeship Council noted, in particular, the important role being played by the Commission on Future Political Status and Transition of the Congress of Micronesia and by its delegation to the Third United Nations Conference on the Law of the Sea.

213. The Council noted with continued concern that the Administering Authority had not acted on the Council's previous recommendation that regulations should be adopted which would have the effect of restricting as far as possible the use of the veto power by the High Commissioner. While the Council was aware that it was the stated policy of the Administering Authority that the High Commissioner's veto authority should be used as sparingly as possible, it also drew attention to the comments of the Special Adviser to the United States delegation at the forty-fifth session of the Council, in which he had reported additional cases of its use.

214. The Council remained aware, however, that some of the difficulties associated with the use of the veto power resulted from the separation of powers between the legislative and executive branches and that those difficulties were further exacerbated because the veto power was exercised by an appointed rather than an elected Chief Executive. It noted that the draft constitution of the Federated States of Micronesia provided for an elected Chief Executive, which could help to reduce the use of the veto.

215. According to the current annual report of the Administering Authority, the role played by the Commission on Future Political Status and Transition of the Congress of Micronesia would continue, with the Congress of the Federated States of Micronesia representing the four central districts. Palau and the Marshall Islands would be represented by their respective status commissions.

216. The annual report states that the current Trust Territory Government is modelled on the governmental structure of the United States, with the executive and legislative branches sharing powers. The Administering Authority states that the exercise of approval and disapproval power by the executive is a normal and expected authority and should not be limited by outside forces. The veto power of the executive branch could be overridden by the Congress. In the case of the Trust Territory, provision is also made for an appeal to the Secretary of the Interior.

Executive

217. Working under the High Commissioner is a headquarters staff which functions under the Trust Territory Code and the Trust Territory Manual of Administration.

218. The executive power of the Government of the Federated States of Micronesia is vested in a President elected by the Congress for a four-year term. He may not serve for more than two consecutive terms. The Vice-President is elected in the same manner as the President and serves for the same term of office. He may not be a resident of the same State as the President.

219. The executive authority of the Government of the Northern Mariana Islands is vested in a Governor elected for a four-year term who must be at least 30 years of age, qualified to vote and a resident and domiciliary of the Commonwealth for at least seven years immediately preceding the date on which he takes office. In the performance of his duties, the Governor is assisted by a jointly elected Lieutenant Governor and by heads of executive departments.

220. In the Marshall Islands, the executive authority is vested in the Cabinet, whose members are collectively responsible to the Nitijela. The Cabinet consists of the President, who must be a member of the Nitijela, and 6 to 10 other members of the Nitijela, appointed as ministers by the Speaker on the nomination of the President. The President is elected by the Nitijela following each general election. The President is the Head of State of the Marshall Islands. He is required to resign whenever a vote of no confidence is carried by the total membership of the Nitijela. His resignation might lapse however, if no successor has been elected within 14 days following his resignation.

221. Executive responsibility in Palau resides in the district administration headed by a district administrator. The High Commissioner appoints the district administrator. On 2 April 1979, the Palau Constitutional Convention adopted a draft constitution which was to be put to a referendum scheduled to take place on 9 July 1979 (see para. 211 above).

222. The current annual report states that, in February 1978, in keeping with its policy of placing Micronesians in senior positions, the Administering Authority appointed a Micronesian as Deputy High Commissioner of the Trust Territory. In addition, a Micronesian was appointed as Associate Justice of the Trust Territory High Court. Two Micronesians were also appointed as heads of the Department of Community Services and the Department of Development Services.

District government

223. At its forty-fifth session, the Trusteeship Council noted with satisfaction the approval by the High Commissioner of charters for the districts of Kosrae, Ponape, Truk and Yap and noted that elections would be held for district chief executives beginning in 1978. Since there would be an advantage in the transition to elected district governments taking place uniformly throughout the Trust Territory, the Council, while recognizing their right to do so, regretted that the district legislatures of Palau and the Marshall Islands had decided not to exercise their prerogatives to enact district charters and had chosen instead to draft district constitutions and to postpone organization of new district governments until after the constitutional referendum on 12 July 1978.

District administrators

224. According to the current annual report, Kosrae, Ponape, Truk and Yap have already elected governors under their respective charters. Executive responsibility in Palau still resides in the district administrator appointed by the High

Commissioner of the Trust Territory. The Northern Mariana Islands and the Marshall Islands elected governors in accordance with their constitutions adopted on 6 March 1977 and 1 March 1979, respectively.

District legislatures

225. Kosrae, Ponape, Truk and Yap act under charters approved by the Congress of Micronesia and the High Commissioner. The Palau Legislature acts under a charter granted by the Trust Territory Government. The Northern Mariana Islands and the Marshall Islands have established legislatures under their respective constitutions. Members of all the local legislatures in the Trust Territory are elected by popular vote with the exception of Palau, which has a House of Elected Members and a House of Chiefs.

Municipal government

226. The municipality is the basic unit of local government in the Territory. Municipal boundaries to a large degree represent customary geographic-political divisions or entities which may comprise an island, a group of islands or atolls, or a locally recognized area or division of a larger island. The Marshall Islands, however, are grouped into municipalities by islands and atolls, irrespective of the overlapping jurisdiction of the hereditary chieftains.

227. Some municipalities function under a charter. Those without a charter may elect only an executive officer or they may remain under a traditional form of government. In general, the charter provides for a municipal council, a chief executive and other officials. The chief executive of a municipality is known as magistrate or mayor.

Civil service

228. The enactment of Public Law 4C-49, on 12 April 1972, repealed the Trust Territory Merit System established under Public Law 2-2 and provided the basic statutory authority for the Trust Territory Public Service System. Government personnel in Micronesia are divided into three categories: the United States Civil Service; contract; and the Trust Territory Public Service.

229. The constitution of the Northern Mariana Islands provides for a civil service system which operates under a Civil Service Commission. The Commission administers personnel policies for the government.

230. Under the Marshall Islands Constitution, the public service, headed by a Chief Secretary, comprises the employees necessary to assist the Cabinet in exercising the executive authority and to perform other duties as required. The Constitution also contains provisions for the establishment of a Public Service Commission.

231. According to the Administering Authority, the number of government employees totalled 5,487 in March 1978, compared with 5,813 for the preceding year. In addition, there were 2,783 individuals classified as government employees under the category entitled "special grants". These were trainees, not necessarily in preparation for government employment but rather to acquire various skills.

232. The number of staff in the Government of the Northern Mariana Islands in October 1977 totalled 1,270 (45 less than the preceding year), of whom 1,195 were Trust Territory citizens and 75 were expatriates. Of the latter number, 8 were United States civil service employees, compared with 10 for the previous period. In accordance with the decision taken by the Office of Territorial Affairs of the United States Department of the Interior, all federal civil service positions in the Northern Mariana Islands were to be abolished on 8 January 1978.

Political education

233. The current annual report states that during the year under review the Education for Self-Government (ESG) programme concentrated its efforts on preparing the people of the Trust Territory for the constitutional referendum on 12 July 1978.

234. At the headquarters level, the ESG programme concentrated on radio and printed material. The districts were provided with posters, Education for Self-Government Notes (a regular biweekly publication), radio programmes and other general guides for activities concerning the referendum on the Micronesian constitution.

235. Seminars for teachers and ESG personnel were held in all districts and at the Community College of Micronesia.

236. In addition, ESG Task Forces disseminated information with regard to the establishment of chartered district governments in Kosrae, Ponape, Truk and Yap; the future political status negotiations; and the activities of the Congress of Micronesia.

237. The ESG programme was financed by the Government of the Trust Territory and the Congress of Micronesia.

Decentralization

238. At its forty-fifth session, the Trusteeship Council noted with continued satisfaction the efforts of the Administering Authority to devolve progressively greater authority on the district governments, thereby increasing local autonomy, and urged continuation of that policy. Following the approval of four district charters and the continuation of management training courses, the Council hoped that the Administering Authority, in consultation with elected Micronesian representatives, would be able to achieve a reduction in the headquarters' governmental functions.

239. The current annual report states that a major programme of district management training has continued through the Headquarters Training and Employee Development Division. The four chartered districts have assumed greater responsibilities, and function under elected governors. The Trust Territory Government has provided assistance to the districts in governmental structuring in order to facilitate the transfer of functions currently carried out at headquarters. As the legislative entities assume increasing political responsibilities, they also exercise greater administrative functions, a fact that has been reflected in the decrease in regular positions and the drastic budget reductions at headquarters.

Judiciary

240. The Trust Territory has three types of courts: the High Court, district courts and community courts. The highest judicial authority in the Territory is the High Court, which has appellate and trial divisions. The High Court consists of the Chief Justice, three associate justices and a panel of four temporary judges. The High Court judges are appointed by the United States Secretary of the Interior. The temporary judges are full-time judges on Guam and are residents of that island. Each district court consists of a presiding judge and may include one or more associate judges appointed for three-year terms by the High Commissioner with the advice and consent of the Congress of Micronesia. The High Commissioner may appoint a special judge of the High Court to serve as presiding or associate judge of a district court. Community courts have one or more judges, all appointed by the appropriate district administrator.

241. In the Marshall Islands, the judicial power is vested in a Supreme Court, a High Court, a Traditional Rights Court and district courts, community courts and other subordinate courts. In the Northern Mariana Islands, judicial power resides in a judiciary which includes trial and appeals courts established by the Legislature. The Legislature may establish a commonwealth trial court with original jurisdiction over actions involving land in the Commonwealth and other civil actions. The Legislature may also establish a Commonwealth Appeals Court.

242. At its forty-fifth session, the Trusteeship Council noted with satisfaction that a Micronesian had been appointed to the position of Associate Justice of the High Court and that the intermediate and lower levels of the judicial branch were thus fully staffed by Micronesian citizens. The Council urged the Administering Authority to continue to give preference to Micronesian candidates for senior posts in the judiciary, when other qualifications were equal.

243. The current annual report states that Micronesian candidates are given preference for all posts of the judiciary when other qualifications are equal.

2. Discussion in the Council and opinions expressed

Territorial Government

Legislatures

244. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative of the Administering Authority, stated that, on 25 April 1979, Secretarial Order No. 3039 had been issued, significantly reducing the authority of the High Commissioner over the administration of the three new entities. Under that Order, such powers, responsibilities and authority would be transferred to the elected constitutional governments as they emerged and as they were prepared to accept and which, at the same time, were in accordance with the continued responsibilities of the Administering Authority under the Trusteeship Agreement.

245. Senator Olter, Special Adviser, referring to transition matters, stated that the fragmentation of Micronesia had been accompanied by the withdrawal of the important legislative powers so painstakingly developed by the Congress of Micronesia. The Territory had taken several steps forward in constitutional

development. However, those accomplishments remained of uncertain status because there still existed severe constraints on the Territory's administrative authority and on available financial resources.

246. Senator Olter further stated that two other major impediments to self-government had been included in Secretarial Order No. 3039. They reflected the view of the Department of the Interior that, under the Executive Order signed in 1962 by the President of the United States, the executive, legislative and judicial responsibility for the Trust Territory resided in the Department of the Interior. Under that Order, the High Commissioner retained a veto power over certain legislation initiated and enacted by the Congress of the Federated States of Micronesia. That power was open-ended and encompassed the ability of the High Commissioner to veto all bills or portions of bills which he found to be inconsistent with the Trusteeship Agreement, United States laws applicable in Micronesia or the regulations of the Department of the Interior. Appeals might be made to the Secretary of the Interior, but no procedure or time-limit was specified. Although the veto power was to be exercised in a quasi-judicial manner, no provision existed for judicial review of the veto.

247. Mr. Sablan stated that it was the desire of the Administering Authority not to be involved any more than was absolutely necessary in the internal workings of the new governments established under their constitutions. The veto power, under the Trusteeship Agreement, was one way by which the High Commissioner and the Secretary of the Interior could be protected from the enactment of legislation which was inconsistent with the provisions of Secretarial Order No. 3039, the Trusteeship Agreement and United States treaties and laws applicable to the Trust Territory.

248. Senator Olter stated that, although Secretarial Order No. 3039 avoided use of the word "veto", the suspension power prescribed in that order was identical to it. The High Commissioner had the power under that order to render null and void any law passed by those legislative branches that he regarded as violating the Trusteeship Agreement or United States laws or regulations. An appeal could be taken to the Secretary of the Interior, but there was no deadline before which he should respond. The Department of the Interior had been unwilling to put enough faith in the three constitutional governments even to permit orderly judicial review by the territorial High Court as a substitute to that veto power.

Executive

249. At the forty-sixth session of the Trusteeship Council, the representative of the Administering Authority stated that on 11 May 1979, the new Congress of the Federated States of Micronesia had met and selected its President and Vice-President for four-year terms of office. The newly elected leaders of the Federated States of Micronesia had been inaugurated on 15 May 1979.

250. The representative of the United States also stated that elections had been held in the Marshall Islands on 10 April 1979 for a new Nitijela, and on 1 May the first President had been formally inaugurated.

251. With regard to Palau, the representative of the United States stated that a Constitutional Convention had met early in 1979 and plans called for a referendum on the constitution to be held on 9 July 1979. His Government had invited the Trusteeship Council to send a visiting mission to observe the referendum (see para. 76 above) and he renewed that invitation.

Civil service

252. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that the method of training had been stepped up perceptibly to ensure that the people of the Federated States, the Marshall Islands and Palau were prepared as fully as possible to take over all functions of government as well as in the trades and service industries.

253. The Special Representative said that the Asian Development Institute of the Economic and Social Commission for Asia and the Pacific (ESCAP) had trained 22 mid-level project managers. Four Trust Territory citizens were receiving legal training at the University of Papua New Guinea and two were pursuing studies in the state of Washington in mental health counselling. Four employees had received training in governmental bookkeeping and accounting under the United States civil service training programme. Eight middle management employees had participated in a course on effective speaking and human relations at the Dale Carnegie Institute. The Special Representative further stated that over the next three years all Trust Territory weather-service personnel would receive training in Honolulu. Staff members from district broadcasting stations had received advanced training under the sponsorship of the United Nations Development Programme (UNDP) and the Asian Institute for Broadcast Training in Fiji and Malaysia.

254. The Special Representative also stated that the great majority of the 1,000 expatriate positions were federal programme employees, a category of employees which had mainly short-term contracts, to a maximum of one year. Many of the programmes operating in Micronesia were slated for termination between July and September 1979, with a majority of them expected to be terminated at the end of 1980. The greater portion of the number of expatriate employees appearing in the statistics comprised temporary employees.

Decentralization

255. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that in February/March 1979, at a meeting of personnel officers of the several districts and states, the Director of Personnel of the Trust Territory Government had submitted a draft proposal concerning the delegation of final authority in respect of personnel actions to those districts and states.

256. According to the Special Representative, although the establishment and abolishment of posts and their assignment and reassignment to salary levels would remain functions of headquarters, almost all authority was given to the districts. During 1978, the Bureau of Finance had continued with the execution of previous plans to enhance the qualifications of district personnel in the areas of finance and accounting, procurement and supply and administration of the revenue code of the Trust Territory. It had also continued the transfer of functional responsibilities in those areas to district offices.

257. The Special Representative said that the general procurement function had been decentralized to the Palau district, and district supply officers from the other areas were currently undergoing final training in Saipan before they accepted general procurement responsibility for their respective districts. The inventories

of repair parts and general stores maintained in Saipan were currently being distributed to the district supply warehouses, and it was expected that each district procurement and supply operation would become fully independent during 1979.

258. The Special Representative stated that the Administering Authority, in anticipation of a rapid transition from the existing centralized governmental operation to a more decentralized and autonomous field operation, had created a special task force, consisting of the Deputy High Commissioner and representatives of the three Micronesian entities. The task force was given the responsibility of identifying specific administrative and executive functions currently performed by the central Government which could and should be transferred to the new political entities as they became organized to assume those functions.

259. Senator Olter, Special Adviser, stated that Secretarial Order No. 3039 did not effect an immediate transfer of functions. It merely authorized the High Commissioner to transfer some of the functions of the Trust Territory administration to the constitutional governments when he determined that those governments were ready for them. There was no deadline or even a target date by which the High Commissioner was expected to have made the transfer, or by which the Department of the Interior could be expected to provide adequate assistance for governmental infrastructure.

Judiciary

260. At the forty-sixth session of the Trusteeship Council, Senator Olter, Special Adviser, said that, in discussing Secretarial Order No. 3039 with officials of the Department of the Interior before its issuance in late April 1979, the representatives of the Federated States of Micronesia had indicated a preference for a limited judicial review of actions by the Micronesian constitutional Government, as against a legislative veto or broad judicial review in other areas. The officials had then indicated that the only judicial review required would be appellate review of cases in which the constitutional Government had allegedly violated the Trusteeship Agreement or applicable United States laws or regulations.

261. The Special Adviser pointed out, however, that without consultations with the leadership of the Federated States of Micronesia, the Department of the Interior had, at the last minute, changed its position and provided for appellate review by the High Court of the Trust Territory on writ of certiorari of all judicial decisions in the Trust Territory. Other changes in the Secretarial Order provided that the High Court would have virtually absolute power to certify the readiness of the new courts to conduct their affairs. It would also have absolute power over the transfer of pending cases. In past years, the High Court had often been insensitive to the claims of the Micronesian people, and Micronesians had no voice in the selection of the judges who served on that court. The continued absolute appellate power of such a court over the constitutional courts of the Federated States and the individual States was at odds with the concept of self-government.

C. ECONOMIC ADVANCEMENT

1. Outline of conditions

General economy

262. The gross domestic product of the Territory is derived largely from United States expenditures for services and capital improvements and from tourism, the production of copra, subsistence and commercial farming and fishing and the sale of handicrafts.

263. In the Northern Mariana Islands, a large portion of the gross domestic product is also derived from expenditures for services and capital improvements by the United States. The tourist industry is an important source of revenue and there are agricultural and fishing activities on a commercial scale. Although imports of food-stuffs and other commodities exceed exports in the Northern Mariana Islands, its development, unlike that of the rest of the Trust Territory, is geared to a money economy with a good infrastructural basis.

264. In 1977/78, tuna fish exports totalled \$US 3.7 million and direct income from tourism amounted to \$US 2.3 million (excluding the Northern Mariana Islands). Imports during the period October 1977 to July 1978 (excluding the Northern Mariana Islands) totalled \$US 30.7 million.

265. The current annual report states that, during 1977, the Territory received 35 applications from foreign companies for permits to do business in the Territory, and issued 16 foreign business permits. Over-all investments (aggregate assets) amounted to \$US 18.1 million in 1977 (excluding the Northern Mariana Islands).

266. At its forty-fifth session, the Trusteeship Council reiterated its concern over the imbalances in the Micronesian economy and its considerable dependence on outside support. It noted with satisfaction that the Administering Authority was aware of the need to promote the development of the productive sectors and of basic infrastructure and to keep unproductive expenditure within reasonable limits. The Council therefore hoped that the Administering Authority would encourage local and foreign capital investment.

267. The current annual report states that work has been undertaken to produce literature that would help attract new investments. The Administering Authority will continue to take other steps to encourage local and foreign capital investments.

268. At its forty-fifth session, the Trusteeship Council noted with concern the statement made by a special adviser to the effect that implementation of the five-year indicative development plan was behind schedule. It noted that the Administering Authority still considered the plan the basis for the Territory's development policy. While realizing that implementation of the plan depended on factors that could not always be foreseen, the Council nevertheless requested the Administering Authority to do all in its power to achieve the objectives set within the established time-limit.

269. The current annual report states that, while the Administering Authority continues to support the five-year indicative development plan as the basis for economic development, responsibility for implementation lies primarily with the districts' governments. The concern in the districts about their internal organizations and future political status has delayed the implementation of the plan.

270. At its forty-fifth session, the Trusteeship Council considered that it would be desirable to promote an increase in exports from the Territory. It therefore recommended that the Administering Authority extend to the Territory as a whole the tariff advantages accorded to the Northern Mariana Islands under the Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (see para. 51 above). It urged the Administering Authority to try to secure preferential tariffs for the Territory from other countries.

271. The current annual report states that the Administering Authority has extended to the Territory the Generalized System of Preference and that it is assisting the Territory to become eligible for preferential tariffs by other countries. The tariff treatment extended to the Territory by the Administering Authority will be dependent upon the agreements reached between the United States and the districts of the Trust Territory in respect of their future status.

272. In its report, 27/ the United Nations Visiting Mission to observe the referendum in the Trust Territory of the Pacific Islands, 1978, concurs with the view of the United Nations Visiting Mission to the Trust Territory of the Pacific Islands, 1976, 28/ which found an almost universal view throughout the Trust Territory that the dependence of Micronesia on large annual payments from the United States was unacceptable and that a dramatic overhaul of the economy was required to remedy the imbalance. The 1976 Mission considered that the substantial inflow of funds from abroad had in some respects distorted the economy and impeded progress towards self-sufficiency. The 1978 Mission concurs with that view.

273. The 1978 Visiting Mission states that it does not underrate the difficulties of tackling and rectifying the problems and imbalances which beset the Territory in the economic and social spheres. According to the Mission, many of those problems are interrelated and are aggravated by the physical nature of the Territory.

274. The Mission states that there is an acute need to develop productive and revenue-generating sectors of the economy, particularly by the provision of small-scale or co-operative enterprises suited to the conditions of Micronesia.

275. The Mission notes that the Trust Territory's indicative development plan envisages improvement in the basic economic infrastructure of the Territory and that some progress has been made, although implementation of the plan is behind schedule. It also notes improvement in air and sea communications and expresses its hope that the programme for improvement of airports, including the construction of the new runway on Kosrae, will not be further delayed.

27/ Official Records of the Trusteeship Council, Forty-sixth Session, Supplement No. 2 (T/1795), paras. 153-156.

28/ Ibid., Forty-third Session, Supplement No. 3 (T/1774), para. 208.

276. In its report, 29/ the 1979 Visiting Mission states that it is essential to develop local production in the Marshall Islands in order gradually to achieve a healthier situation, and that efforts should be directed towards that end. However, if the present standard of living is to be maintained, the Marshall Islands should continue to receive substantial external assistance. In that connexion, the economic development authorities informed the Mission of their concern regarding the size of the appropriations allocated to the district. They feared that, during the period preceding the termination of the Trusteeship Agreement, some economic and social programmes might be slowed down if not eliminated. The initial effects of such a loss of momentum are already evident. If this is a matter of policy, the Mission believes that the possibly adverse consequences should be carefully considered, since it is essential to ensure, at the very least, the continuity of the work which has been started, in order not to jeopardize progress already made.

277. The 1979 Visiting Mission notes in its report that another consequence of the inadequacy of local production is the imbalance of external trade: the volume of imports is approximately four times larger than that of exports. Consumer goods make up as much as 80 per cent of the imports. More than 90 per cent of the food consumed is imported. 30/

Public finance

278. The costs of Trust Territory operations are met by grants from the Administering Authority in the form of annual appropriations and federal programme grants, as well as by local reimbursable revenue collections. Appropriation requests are subject to limits fixed by the United States Congress.

279. The grant from the Administering Authority for 1978 was \$US 97.0 million compared with \$US 98.0 million for the preceding year (excluding the Northern Mariana Islands). Programme grants from United States federal agencies for the same period totalled more than \$US 35.0 million. The revenue raised within the Trust Territory totalled \$US 8.2 million, excluding taxes collected by district legislatures and municipal councils, compared with \$US 9.8 million for the previous year.

280. Since the Government of the Northern Mariana Islands is administered separately from the rest of the Trust Territory, it is responsible for maintaining the account of its budget operations. The grant from the Administering Authority is provided to the Northern Mariana Islands Government through the High Commissioner of the Trust Territory, who subsequently incorporates its report into the report of the Trust Territory Government for submission to the Administering Authority.

281. According to the current annual report, the grant from the Administering Authority to the Northern Mariana Islands in fiscal year 1978 was \$US 16.1 million.

282. According to the annual report, preparation of the annual budget begins well over a year in advance, when district administrators, district legislatures and various department heads submit estimates to the Programme and Budget Officer.

29/ Ibid., Forty-sixth Session, Supplement No. 3 (T/1805), para. 122.

30/ Ibid., para. 124.

After review, the estimates are presented to the High Commissioner for approval. The Programme and Budget Officer then draws up a preliminary budget plan for the coming fiscal year, which is presented to the Congress of Micronesia for its review of, and recommendations on, portions relating to funds to be appropriated by the United States Congress. Under the terms of Secretarial Order No. 2918, the High Commissioner then adopts those recommendations of the Congress which he deems appropriate; he must also transmit to the United States Secretary of the Interior all recommendations he does not adopt.

283. District governments administer and control budgetary operations at the district level. Each district administrator is required by law to submit to the district legislature estimates of his annual budget based on anticipated district and territorial revenues from taxes. Following consideration of those estimates, the legislature concerned adopts an annual budget which is transmitted to the district administrator for action. Control of fiscal operations at the municipal level rests with the municipal administration, but the district administrator concerned has certain powers of supervision and approval.

284. At its forty-fifth session, the Trusteeship Council reaffirmed its earlier recommendations to the effect that the Congress of Micronesia should be allowed to participate to a greater extent in the preparation of the budget. While taking note with satisfaction of the fact that it was effectively consulted in the preparation of the budget estimates and that it could be given hearings by the budgetary committees of the Congress of the United States, the Council noted, however, that in that area the Congress of Micronesia played only an advisory role.

285. The current annual report states that the Congress of Micronesia has been dissolved and replaced, with effect from 1 October 1978, by three legislative bodies (the Interim Congress of the Federated States of Micronesia, the Palau District Legislature and the Marshall Islands Mitijela). Each of these bodies bears the responsibility, as did the Congress of Micronesia, for the initial preparation of its operational budget.

286. The Administering Authority feels that to involve the legislative bodies in the determination of guidelines for budget preparation would result in a complex and impractical budgetary process.

287. The annual report also states that, as the districts of Palau and the Marshall Islands have become separate legislative entities within the Trust Territory Government, the "district revenues" are, since 1 October 1978, the total revenues collected under the Territorial Tax Code applicable to those districts. In other words, no share of the revenues applicable to Palau or the Marshall Islands is remitted to a central Government, and the district budget reflects the entire funds collected. The Federated States of Micronesia continues to receive approximately 50 per cent (depending upon the tax code provisions) of total revenues collected pursuant to the Territorial Tax Code, with the balance reverting to the district in which the tax was collected. District governments control and administer financial operations at the district level.

288. At its forty-fifth session, the Trusteeship Council noted that a computerized accounting system had been instituted in the capital of the Territory and in all of the districts except Kosrae. It noted that, according to a special adviser, the

computers in operation were not proving satisfactory, and it also noted the statement made by a special representative to the effect that plans were being made to install computers better suited to the Territory's needs.

289. The current annual report states that a central automated accounting system is being used throughout the Trust Territory Government for the management of all funds and that it has provided the standard base for transferring functional responsibility of most accounting and financial management to district governments. In view of the dissatisfaction expressed by some regarding continued reliance on a central computer, the Administering Authority is participating together with representatives of the three political entities in Micronesia in the preparation of a plan for the development of an accounting system specifically geared to future financial administration.

290. At its forty-fifth session, the Trusteeship Council recalled that, in order to facilitate the promotion of local products and increase the Territory's revenue, it had suggested earlier that the Congress of Micronesia might consider increasing duties on non-essential imports (certain food-stuffs, beverages and tobacco).

291. The current annual report states that the Administering Authority has provided to the Trust Territory on a full-time basis the services of a professional tax adviser, who has reviewed possible tax system modifications with representatives of the legislative entities, considering both conceptual and practical aspects.

Assistance from international institutions
and other countries

292. At its forty-fifth session, the Trusteeship Council again expressed the hope that the Territory would continue to develop its contacts with regional and international bodies with a view to participating in their activities and receiving assistance for its development.

293. It noted with satisfaction that representatives of the Territory had participated in the preparation of a plan of action for integrated rural development for Asia and the Pacific under the sponsorship of ESCAP. It was pleased to note that the Territory had become a member of the Committee for Co-ordination of Joint Prospecting for Mineral Resources in Asian Offshore Areas (CCOP).

294. The Council noted with satisfaction that UNDP was continuing to provide technical and financial assistance to the Territory and it hoped that UNDP would be able to proceed promptly with the appointment of a new representative in the Territory.

295. The Council noted with interest the statement made by a special representative to the effect that the Administering Authority had recently devised a policy enabling other countries to provide loans and technical assistance to the Territory.

296. The current annual report states that the Territory has continued to develop contacts with regional and international bodies with special emphasis on those agencies which offered training opportunities in agriculture, fisheries, public administration and project analysis.

297. During the period under review, Trust Territory officials met with representatives of a UNDP/ESCAP mission to review the plan of action for the rural development of the Pacific, and plans were being made to send senior planning officials from the Trust Territory to participate in a meeting organized by UNDP, ESCAP, the South Pacific Commission (SPC) and the South Pacific Bureau for Economic Co-operation (SPECC).

298. The annual report also states that UNDP continues to provide a livestock expert for the Trust Territory's integrated feed-mill project in Palau, as well as various types of expert services for plan implementation. The final results of a survey on skills and occupation conducted in 1978 were expected to be available at the end of 1979. The preparation for an agricultural census is expected to be completed by September 1979.

299. A new UNDP project manager was appointed and began work in the Trust Territory in September 1978. UNDP expected to place major emphasis on the development of projects and programmes for the implementation of the five-year indicative development plan.

300. With regard to loans and technical assistance from other countries, the annual report states that the Japanese International Co-operation Agency is co-operating with the Trust Territory in a project in Palau to demonstrate the most effective operation of a pole and line skipjack fishing vessel. In addition, requests for other types of assistance were made during the year to Canada, the Federal Republic of Germany and Japan.

Credit

301. The Economic Development Loan Fund makes direct loans and guarantees loans by commercial banks for development purposes. The Fund is administered by a nine-member Board of Directors. The current annual report states that, as from 13 November 1975, a moratorium was placed on the granting of new loans, to remain in effect until final agreement is reached on division of funds between the Government of the Northern Mariana Islands and the Trust Territory Government.

302. The current annual report states that other sources of credit are provided by credit unions. By the end of 1977, 43 chartered credit unions were operating in the Territory (excluding the Northern Mariana Islands). Of this number, over half were serving residents of villages and communities, the others were credit unions of employees, representing 80 per cent of the financial activity of the credit unions. Credit unions had a total of 10,101 members, with assets of \$US 6.4 million (\$US 5.7 million in the previous year). During 1977, loans granted by credit unions aggregated \$US 4.6 million (\$US 5.3 million in the previous year). About 10 per cent of the population participates in credit union and co-operative programmes in the Territory.

303. At its forty-fifth session, the Trusteeship Council considered that lack of capital continued to constitute an important obstacle to the economic advancement of the Territory. It therefore considered it desirable to develop local credit facilities. It noted that a new economic development loan fund had been planned and was currently under consideration in Washington, D.C. The Council noted with regret that, four years after the adoption by the Congress of Micronesia of the law establishing a development bank, the bank had not yet become operational. The Council noted with satisfaction the increase in share capital in credit unions in the Territory.

304. The current annual report states that the Administering Authority and the Trust Territory Government recognize that lack of capital constitutes an obstacle to development. The Micronesian Development Bank is not yet operational and no final decision has been made on the economic development loan fund. During 1978, the Congress of Micronesia transferred the balance of funds in the Micronesian Development Bank to its general fund to cover operating deficits.

305. The report also states that credit unions continued to build share capital, increasing their assets by more than 14 per cent to a total of \$US 6.4 million (see para. 302 above).

Land

306. According to the current annual report of the Administering Authority, the land area of the Trust Territory comprises 83,305 hectares classified as arable land and 99,479 hectares classified either as grazing land and forest or as swamps, rock and built-up land. Of the total area, 73,647 hectares are privately owned and 109,584 hectares are classified as public lands. Some 6,489 hectares of land are under cultivation in the Trust Territory. About 33,553 hectares are planted with tree crops - primarily coconut, bread-fruit, banana and pandanus.

307. On 26 December 1974, the United States Secretary of the Interior issued Secretarial Order No. 2969, transferring the Trust Territory public lands to district control. He stated that the Order had become part of the Trust Territory Code, and that it provided the legal framework for each district to request and receive title to appropriate public lands within its jurisdiction. The Secretary also noted that the Order, when implemented in every district, would provide for the transfer of the same amount of land as any other approved mechanism for implementing the policy statement.

308. At its forty-fifth session, the Trusteeship Council noted with satisfaction that land identification and survey work had resulted in the delimitation of large areas of public and private land.

309. The Council also noted with satisfaction that a procedure for the settlement of disputes between the landowners and the Government concerning indefinite land use had been unanimously adopted by the members of the study group set up for the purpose by the Congress of Micronesia. It noted the statement by a special representative that the entire question could be settled towards the end of 1979.

310. Referring to land identification and survey, the current annual report states that work has been completed on approximately 775 square kilometres of public land and 260 square kilometres of abutting private parcels. The remaining work of finalizing the compilation of parcel indices will be completed before the end of fiscal year 1979. The cadastral parcel index sheets which have been completed have greatly facilitated the adjudication process in respect of public and private lands.

311. The report further states that the Trust Territory Government has received a professional appraiser's report on all the land under indefinite use agreements, which is being considered by all parties concerned. Funds will be requested from the United States Government in 1979, to convert land held by the Trust Territory Government under indefinite use agreements into holdings through purchases, fees or leases on fixed terms.

Agriculture and livestock

312. Copra is the principal commercial agricultural product of the Territory. On Ponape, black pepper, rice and vegetables are being developed on a commercial scale. Taro, arrowroot, yams, sweet potatoes, cassava, bread-fruit, pandanus, bananas, citrus and a number of other crops, used mainly for local subsistence, comprise the remaining principal crops in the Territory. The total area under production during 1978 was estimated at 39,000 hectares.

313. The principal livestock in the Territory are swine and poultry. Cattle, goats and carabao are found on the high islands. Cattle, the third most important type of livestock, are concentrated mainly in the Northern Mariana Islands, which in 1977 had 7,250 head out of a total of 7,450 head in the Territory. The carabao is used as a draft animal on Palau and Ponape.

314. At its forty-fifth session, the Trusteeship Council reiterated its recommendation that the Administering Authority should expand production of food-stuffs to enable the Territory to become more nearly self-sufficient. However, that priority should be without prejudice to current efforts to diversify crops, develop agriculture on a commercial scale and establish an agriculture-based industry.

315. The Council noted with satisfaction that two copra processing plants began operating in 1976/77. It recommended that the Administering Authority should encourage copra production so that supplies for those two plants could be provided entirely by the Territory. The Council noted with interest that in 1977 exports of coconut oil were valued at \$US 4.2 million and copra cake at \$US 786,000.

316. The current annual report states that one of the major priorities of the Trust Territory Government is the promotion of increased production of subsistence crops for local consumption and the encouragement of the production of vegetable crops. This is being done through training programmes for farmers and further on-the-job training for employees at the agricultural extensions in Hawaii and Taiwan. Special training seminars are also organized for those engaged in the agricultural field.

317. According to the current annual report, the improvement and increase in coconut production has been a major priority for the past 16 years. However, since large numbers of palms had been planted during the German and Japanese administrations, the replacement of the old with new palms is at an equilibrium. Further, as a result of population growth, an increasing amount of coconut is being consumed locally. Funds to finance a programme for the introduction of hybrid coconuts are requested in the budget for fiscal year 1979/80. The use of hybrid coconuts would improve and increase production faster than would the local ones.

318. At its forty-fifth session, the Trusteeship Council reiterated its recommendation that particular attention should be paid to the possibilities of exploiting forestry resources.

319. The current annual report states that the budget for fiscal year 1979/80 includes funds to purchase logging and saw-mill equipment to begin the exploitation of the forest resources that are readily accessible in Kosrae, Ponape and Palau districts.

320. At its forty-fifth session, the Trusteeship Council noted with satisfaction that the Northern Mariana Islands produced vegetables, fresh milk and other agricultural products, both for local consumption and for export, amounting, in 1977, to an estimated value of \$US 1.3 million.

321. The current annual report states that, in 1978, the Northern Mariana Islands produced both for export and for domestic consumption 269,481 kilograms of vegetables, valued at \$US 139,090; 534,482 litres of fresh milk, valued at \$US 263,793; 157,765 kilograms of beef valued at \$US 228,191; and 20,465 kilograms of staple crops, valued at \$US 17,916. The value of those and other agricultural products in the Northern Mariana Islands totalled \$US 668,523.

322. According to the annual report, tropical storms and an unprecedented severe flood which occurred in the Northern Mariana Islands in 1978 destroyed vegetables, fruit and staple crops covering approximately 120 hectares. It is estimated that more than 450,000 kilograms of crops, several hundred livestock, mostly swine, as well as goats and several thousand chickens, valued at \$US 540,000, were destroyed during the flood.

Marine resources

323. The current annual report points out that, while the major potential for economic development based on marine resources is dependent on tuna catches in the oceanic area, the required capital and skill and the necessary infrastructure to exploit those resources successfully are not yet available. Many of the districts have, therefore, given top priority to the development of small-scale fisheries operations by exploiting the marine resources of the reefs and lagoons, with a view to supplying fish to local markets and to introducing a commercial fisheries programme.

324. The annual report states that the pole and line skipjack fishery in Palau had one of its best years on record. During the 1977/78 season, 15 vessels operated primarily by foreign nationals brought in an estimated catch totalling 8,302 metric tons, which was 75 per cent above the 13-year average, and the third highest since the fishery programme began operation in 1964.

325. The Japanese Marine Resource Research Center conducted baitfish and tuna resources evaluation surveys in Palau in 1977, and in the Marshall Islands in 1978. According to the annual report, the results of the survey show that baitfish resources will continue to be a limiting factor in the development of pole and line fisheries in the Territory.

326. The annual report states that the Japanese International Co-operation Agency and the Trust Territory Government are co-operating in a project to demonstrate the most effective way of operating a pole and line skipjack fishing vessel in Palau (see para. 300 above). One of the seven skipjack vessels obtained through the Japan-United States war damage claims agreement has been modified for effective operations and Japanese technicians are training Micronesians in its operation. The project is also investigating the potential advantages to the fishermen and the local residents of holding bait in net cages to provide a hardier bait and to provide bait for the fishery when it cannot ordinarily be obtained.

327. In addition, the seven 26-metric ton skipjack fishing boats also obtained through the Japan-United States war damage claims agreement were in operation in 1978. With the exception of the Lejabil, which was incorporated into the joint fisheries development project in Palau, these vessels have been leased to local businessmen.

328. In Ponape, the first phase of a master plan has been incorporated into the 1979 capital improvement programme. The plan, which will consist of the development of a dock and adjacent land area, is designed primarily to support local fisheries development.

329. A year-long programme, supported by the Pacific Tuna Development Foundation, will be implemented in early 1979 to identify the available baitfish resources in Ponape lagoon and to develop techniques which will allow Ponapeans to participate directly in the development of the tuna fishery through the development of a baitfish industry.

330. Progress is also being made in the development of a tuna processing complex on Dublon Island in Truk. The design of a fisheries dock has been approved and construction is expected to begin in 1979. The Pacific Tuna Development Foundation is supporting a one-year programme to demonstrate the potential for the development of a locally based pole and line fishery. This project will also investigate the potential of rafts anchored in the deep waters outside the lagoon to attract the pelagic tunas.

331. The current annual report states that reef fisheries facilities for the support of small-scale fisheries are located in district centres in Palau, Truk, Ponape and the Marshall Islands.

332. There are smaller fisheries facilities in Yap; in addition, an outer reef fishing expert from SPC is assisting in training Yapese fishermen in the technology of harvesting the resources of the outer reef. The Yap District Fishing Authority is experimenting with a 53-metric ton cement vessel, equipped with adequate freezing capacity and support for small crafts, in an effort to ease the problem of transportation from remote areas to urban centres.

333. In the Marshall Islands, fibreglass boat manufacturing companies are producing a number of boats which can be used in small-scale fisheries projects. Ponape is developing a boat design using fibreglass technology which does not require expensive moulds. The ferro-cement boat-building yard in Truk has a potential for manufacturing fishing craft. The Palau shipyard builds small craft, but is not yet adequately equipped to deal with major boat repair and to provide services.

334. During the period under review, the Micronesian Mariculture Demonstration Center on Palau continued its experimental and research work pertaining to the application of mariculture technology to conditions in the Trust Territory. The Center is currently working on a number of demonstration projects to ascertain the potential and economic viability of the various species of fish under observation.

335. In the Northern Mariana Islands, 28,487 kilograms of tunas, wahoo, mahimahi, billfish and reef and bottom fish were harvested by the local subsistence, recreational and commercial fishermen during 1978, with a total sale of \$US 48,565 in the retail market. The fish catch was low since chartering of foreign fishing vessel is not allowed under the new fisheries law (see below).

336. In January 1978, the United States Fishery Conservation and Management Act of 1976 (Public Law 94-265), which extended the fishery zone to 200 miles and placed authority on all marine resources except tuna with the United States, became applicable to the Northern Mariana Islands. The United States Department of Commerce will be setting up regulations for the control of foreign fishing activities within the Fishery Conservation Zone of the Northern Marianas.

337. The Pacific Tuna Development Foundation, of which the Northern Mariana Islands is a board member, approved two fishery projects for the Northern Mariana Islands for 1979 which would provide training to local fishermen.

338. The Northern Mariana Islands is also eligible for other federal grants which will be used to develop the necessary physical infrastructures and to provide incentive programmes for the development of commercial fishery and aquaculture development.

339. At its forty-fifth session, the Trusteeship Council reaffirmed that marine resources were crucial to the economy of Micronesia and urged the Administering Authority to do everything possible to protect and develop those resources, while continuing to improve equipment and training. It noted with satisfaction that the Administering Authority had given high priority to programmes designed to promote a financially viable fishing industry in the Trust Territory and that basic support facilities had been established in all districts.

340. The Council noted with satisfaction the adoption by the Congress of Micronesia of Public Law 7-71, which established a fisheries management and conservation zone of 200 miles surrounding the Territory and a Micronesian Maritime Authority for the purpose of adopting regulations regarding the exploitation of Micronesian marine resources. The Council noted that the districts of Palau and the Marshall Islands had exercised their prerogatives to remove themselves from the jurisdiction of Public Law 7-71. The Council hoped that those two districts would nevertheless co-operate with the Micronesian Maritime Authority in their efforts.

341. The Council noted with satisfaction the participation of representatives of the Trust Territory as members of the United States delegation to a November 1977 meeting at Suva to discuss the organization of a South Pacific regional fisheries association.

342. The Council further noted with interest the statement by Representative Setik, Special Adviser, favouring Micronesian membership in the projected South Pacific regional fisheries association and the statement by the representative of the Administering Authority that, in view of the principles set out at the meeting at Hilo, it appeared to be logical for the United States to support the Micronesian applications for status as an observer, or other status, in appropriate international bodies and forums, but that it would be inappropriate to take a decision until the results of the referendum to be held on 12 July were known.

343. The Council noted with interest the steps taken by the Northern Mariana Islands to prevent overfishing of marine reef resources. It recalled with satisfaction that the Administering Authority had reaffirmed that it did not contest the fact that all benefits derived from marine resources located off the coasts of Micronesia belonged to the people of the Trust Territory and not to the United States.

344. The current annual report states that the Administering Authority has continually given a high priority to programmes which would assist in establishing financially viable businesses to exploit marine resources in the Trust Territory.

345. During the period under review, technical assistance was secured from the governmental fishery agency of Japan to assist in demonstrating the most effective techniques in the harvesting of tunas in the off-shore water and to explore the most effective and socially acceptable ways to establish Micronesian-owned and managed commercial tuna fishing fleets. Support was also secured from the Pacific Tuna Development Foundation to explore the viability of establishing commercial trolling and bottom-handling fisheries for large tunas and other pelagic fish, as well as fish smoking. In addition, SPC has extended its technical assistance for deep bottom fishing to Yap District.

346. The current annual report states that the Micronesian Maritime Authority established under Public Law 7-71 has been formally organized, and that it is currently in the process of developing its negotiating schemes and approaches to attract enterprises interested in fishing within the jurisdiction of the Federated States of Micronesia.

347. The Marshall Islands and Palau districts have adopted District Laws No. 25-1 and No. 6-7-14, respectively, which provided for a 200-mile fishing zone. The latter became effective on 1 January 1979 and the former is to come into force on 30 June 1979.

348. According to the current annual report, Palau, Ponape and Yap districts have established their land-holding entities under Secretarial Order No. 2969. Subsequently, and in compliance with that Order, which requires each entity to send in a request for the release of its marine lands, Palau and Ponape have already transmitted their requests for such a release.

Third United Nations Conference on the Law of the Sea

349. At its forty-fifth session, the Trusteeship Council noted with satisfaction that representatives of the Congress of Micronesia were again participating as observers in the Third United Nations Conference on the Law of the Sea with the sponsorship of the Administering Authority. The Council noted that the interests of Micronesia at the Conference might not necessarily coincide with the interests of the Administering Authority.

350. The current annual report states that, since the inception of the United Nations Conference on the Law of the Sea, the Administering Authority has recognized that Micronesian interests might not coincide with its own position. Accordingly, the Administering Authority actively sought observer status for the Micronesian delegation so that the latter could explain its own position to the Conference.

Industry and tourism

351. Manufacturing in the Territory consists primarily of cottage-type activities in the subsistence sector. According to the Administering Authority, the few activities directed towards production for the market economy are characterized by

inadequate capital, poor management and an untrained labour force. Boat-building is widespread but, except for the Palau shipyard, it is usually carried on by individual craftsmen working in their own homes. The demand for Micronesian handicrafts is high, owing mainly to the growing number of visitors to the Territory. Although some small-scale handicrafts are available for export, production in the desired quantities and at reasonable prices needs stimulation.

352. At its forty-fifth session, the Trusteeship Council noted with concern the almost complete absence of industries in the Trust Territory. It noted that, although boat-building by individual craftsmen working in their homes was widespread, there was only one shipyard. It further noted that the few existing cottage-type industries were for the most part short of capital, badly managed and dependent on untrained labour, and that, although handicrafts existed in the Trust Territory, they were not available for export in sufficient quantities to attract foreign markets. The Council recommended that further efforts should be made to establish light industries in the Territory.

353. The current annual report states that, while the Micronesian indicative development plan does not stress the development of industry, the Government of the Trust Territory agrees with the tenor of the comments of the Trusteeship Council and is interested in encouraging light industry in the Territory. There is only one medium-sized boat yard in the Trust Territory, located in Palau. However, there are two fibreglass boat manufacturers in the Marshall Islands and one ferro-cement boat yard in Truk.

354. At its forty-fifth session, the Trusteeship Council reiterated its recommendation that, in both the construction and operation of tourist facilities, local products should, whenever possible, be given preference over imports. Local products should be used more often in the restaurants of tourist hotels. In that regard, the Council noted with satisfaction that the objectives of the Trust Territory tourism board closely paralleled the Council's recommendations and that the district of Ponape had taken steps in that direction, and other districts were planning to follow.

355. The Council welcomed the fact that the tourist industry in Micronesia was largely in the hands of local entrepreneurs rather than outside investors: 24 of the 29 existing hotels were owned by Micronesians and 25 were managed by Micronesians.

356. The Council also noted with satisfaction the statement by one of the special representatives that tourism had become the second leading export industry in Micronesia and that 22,260 persons had visited the Territory in 1977 and spent approximately \$US 2.3 million. It noted that earnings from tourism had increased by 15 per cent in 1977, and that well over 500 Micronesians were directly employed in the industry, with another 500 estimated to be benefiting indirectly from tourism.

357. The Council also noted with satisfaction that continuing steps were being taken to ensure that growth in that sector was steady and did not exceed the capacity of the districts to accommodate tourists. It noted with interest that each district was responsible for the pace and direction of its own tourism. It recommended that training and workshops in tourism should continue to be expanded. While favouring the expansion of the tourist industry, the Council expressed the hope that care would be taken to safeguard the interests of the population.

358. The current annual report states that the Trust Territory Government is actively seeking to increase joint-venture investments for construction of hotel and motel accommodations. It has initiated a more energetic effort to organize and establish small business enterprises in both the tourism and the handicraft industries.

359. Visitors' bureaux in the districts are taking new initiatives for the promotion of tourism and are organizing additional places of interest, such as cultural centres and museums. These efforts are entirely directed by the districts themselves, whose involvement safeguards the interests of the people. In addition, the Trust Territory Administration has made available more promotional literature and has taken other measures to promote tourism.

360. In 1977/78, of the existing 27 hotels in the Territory, 25 were owned by Micronesians and 21 had Micronesian managers. During the first 10 months of 1978, 19,243 visitors entered the Territory and over 23,240 were expected by the end of that year. Income for 1978 was estimated at \$US 2.4 million, compared with \$US 2.3 million for the previous year.

361. In its report, the 1979 Visiting Mission states that tourism in the Marshall Islands is in an embryonic stage owing to the lack of infrastructure and reception facilities. There are only two small hotels on Majuro, one of which is in the process of being enlarged. Discussions are under way with a Japanese group regarding the establishment of a small tourist centre at Laura, on Majuro. 31/

Transport and communications

362. Road maintenance is difficult in the Trust Territory, especially on the high islands where heavy rainfall washes out road-beds, and limited budgets make upkeep difficult on roads outside district centres. As reported in previous years, a territorial road programme has been established, providing for the construction or repair of a number of kilometres of road each year.

363. Air Micronesia, which took over air service in the Trust Territory in 1968, is a corporation formed by Continental Airlines, Aloha Airlines and the United Micronesian Development Association. Regular air service links all district centres of the Territory. Outside the Territory, service is provided to Guam, Tokyo, Honolulu and Okinawa.

364. At its forty-fifth session, the Trusteeship Council commended the continuing efforts of the Administering Authority to improve further the transportation system in Micronesia pursuant to Executive Order No. 113. It noted that the Trust Territory had taken delivery of the first two of seven new ships and that the remaining five would be delivered in the near future. It noted with interest that part of the capital improvement programme was designed to provide cargo and passenger service to all islands and atolls with sufficient population or productive service to warrant service. The Council further noted that construction contracts had been awarded for new wharves on Majuro and Yap, that designs were completed for a new dock at Kosrae and that design work had begun on new wharf facilities in Truk and Palau.

31/ Ibid., para. 131.

365. The Council noted with satisfaction that negotiations on the Tokyo-Saipan air service were successfully concluded and that Continental Airlines had begun air service between Tokyo and Saipan, with continuous flights to the eastern and western districts of Micronesia, beginning on 1 October 1977.

366. The Council further noted with approval the continuing attention of the Administering Authority to the question of airport development, in particular the establishment of a target date for the completion of all proposed projects.

367. The current annual report states that the transportation system in Micronesia has improved considerably since the promulgation of Executive Order No. 113 by the Administering Authority. Seven shipping companies serve the Trust Territory, three of which are Micronesian. The three large vessels of the Trust Territory Government have been under charter to three of the shipping companies, two Micronesian and one foreign, on reduced charter rates, to keep the vessels in satisfactory operating condition and to assist in the development of the Micronesian shipping companies.

368. The annual report further states that the Trust Territory Government has received six new Islander class field trip ships, which have been assigned to the various districts. A seventh ship, expected in February 1979, was to be assigned to the Marshall Islands. The field trip services to the outer islands have improved since the arrival of the new ships.

369. The construction of new docks in Majuro and Yap was in progress during the period under review. Construction on the Kosrae, Truk and Palau docks has been delayed because of insufficient funds.

370. The Trust Territory is currently serviced by regular, connecting flights to Guam, Tokyo, Taipei and Honolulu. Air Micronesia has added to its fleet a third B-727-100 aircraft to meet the increased demand created by the inception of the Saipan-Tokyo route. The Government continues to monitor air service within the Trust Territory and is considering the establishment of new air routes to Australia, Papua New Guinea and the Philippines. With increased air services in Micronesia, the Government has established a new Division of Air Transportation within the Bureau of Transportation and Communication to ensure that anticipated developments are handled in a safe, efficient and economic way.

371. On 31 March 1978, the award for the construction of Truk International Airport was granted. Final plans and specifications for the improvement of the airports of Ponape, Palau, Yap and Kosrae are under study. Construction is expected to begin during 1979 for the airports of Palau and Kosrae, and in 1981 for Yap.

372. The annual report states that inter-island communication was greatly improved during the year under review with the initiation of the Department of Interior Satellite Project network, utilizing NASA's ATS-1, the same satellite through which the Trust Territory has, for six years, participated in the Pacific-wide PEACESAT project of sharing information of mutual interest to Territories and nations of the Pacific region. Through the network, which provides two ground terminals in each of the district centres, administrative messages are relayed and intra-district conferences are conducted.

Proposal for a super-port in Palau

373. At its forty-fifth session, the Trusteeship Council, recalling its recommendations that consideration should be given to the possible effect on Micronesian unity of the development of a super-port, noted the statement by one of the petitioners from Palau that the question of a super-port was not related to the quest for separation.

374. The Council continued to believe that attention should be given to the environmental impact of such a port. The Council welcomed the statement by the High Commissioner that a feasibility study would be a necessary preliminary step, that the approval of the people of Palau would be required and that the processing of any request for a super-port would have to be in full compliance with the applicable laws of the Palau District Legislature, the Trust Territory Code and applicable United States laws. The Council noted the continuing commitment of the Administering Authority to consider the impact of the proposed super-port on the general welfare of the people and the security of the area, as well as the effects it might have on the physical and social environment of Palau.

375. The current annual report states that the Administering Authority agrees with the petitioners from Palau who feel that the question of a super-port is not related to the quest for separation. In this connexion, it is important to note that the proposal for the Palau super-port has made no appreciable progress over the past few years. Nevertheless, Palau in effect rejected unity when the people of the district failed to ratify the constitution for the Federated States of Micronesia in the referendum on 12 July 1978.

Co-operatives

376. In 1977, 74 co-operatives and 43 credit unions were active in the Territory (excluding the Northern Mariana Islands), primarily in importing, retailing, copra, handicrafts and the marketing of fish. Sales and revenue of co-operatives aggregated \$US 12.5 million in 1977. Merchandise sales predominated, followed by sales of copra. At the end of 1976, co-operatives had 12,466 members, showed net savings of \$US 807,000 and had paid \$US 59,740, in dividends and patronage refunds.

377. At its forty-fifth session, the Trusteeship Council reiterated the hope that the Administration would continue to devote some of its educational and information efforts to persuading farmers in the Trust Territory of the benefits of farming co-operatives, in particular the shared use of machinery.

378. The current annual report states that efforts are being made to produce educational and informational material which describe the advantages of co-operative development, with emphasis placed on managerial improvement of consumer organizations. Co-operative farming and the use of machinery for common services have not yet been fully accepted by the Micronesian farmers because of their land tenure system and traditionally independent way of life.

2. Discussion in the Council and opinions expressed

General economy

379. At the forty-sixth session of the Trusteeship Council, Senator Olter, Special Adviser, stated that the Federated States of Micronesia found itself in a poor position to secure international investments, public or private, because of its dependence on United States grants to support its balance of payments. The Federated States could not, therefore, initiate the required development projects or complete, operate and maintain an adequate infrastructure. Its ability to finance investment locally was strained since personal and business savings were currently being depleted under conditions of reduced external assistance.

380. Mr. Sablan, Deputy High Commissioner and Special Representative, stated that the Administering Authority was continuing the capital improvement programme in the Trust Territory, which had been intensified in 1976. The objective of the programme was to place within reach of the six administrative districts and states, prior to the termination of the Trusteeship Agreement, a basic and workable infrastructure upon which each island-nation or state could start to build its economy. The emphasis of the programme was in the areas of transportation and utilities. It was estimated that since 1976, of the more than \$US 213.0 million which had been authorized by the United States Congress for capital improvement development in the Trust Territory, almost \$US 205.2 million had been allocated for development and improvement of airfields, roads, water, electric power and sewer projects.

381. The Special Representative stated that there was general agreement on the need to continue pursuing possibilities of implementing the second level of the capital improvement programme. However, because of financial constraints they were unable to press ahead with the implementation of the plan. As to the five-year indicative development plan, not only had the basic plan itself been completed, but also the indicative plan of each individual district. The implementation of the various plans remained to be carried out and in that connexion an expert had been recruited to assist in identifying methods best suited to their implementation. It was expected that the programme could continue for as long as UNDP assistance was available to Micronesia.

382. The Special Representative stated that virtually all of the capital improvement projects which had been identified in full consultation with the Micronesian leaders in 1976 would be completed by the end of the trusteeship period. The Administering Authority was assured that it would have made available to the succeeding Micronesian governments a basic and workable infrastructure, upon which each government could start to build its economy.

383. Senator Olter, Special Adviser, said that the capital improvement programme currently in progress did not by itself provide the infrastructure required to expand, or even hold constant the support structure for services needed in the coming years. The Government of the Federated States of Micronesia had requested from the Administering Authority those tools which could be used to tackle the problems and responsibilities of self-government.

384. The representative of the United States stated that the Trust Territory Government was at that time able to receive special grants from the United States Department of Energy to establish and prepare a series of studies in connexion with solar energy and the general conservation of energy in Micronesia. With the

exception of Ponape District, there had been no substantial effort to explore the possibility of hydroelectric energy, because of the lack of water resources in Micronesia, but concerted efforts in wind and solar energy were increasingly being undertaken.

385. Mr. Anton DeBrum, Special Adviser, stated that during the final years of United States administration there had been a gradual phasing-out of federal programmes and a constant annual decrease in governmental funds for the Trust Territory. Such a termination policy should, of necessity, be accompanied by a corresponding assumption of new authority by the Government of the Marshall Islands, which should be timed closely with the successful conclusion of the current political status negotiations. He said that the Marshall Islanders were not encouraged by the present stalemate in respect of several areas in the status discussions.

386. The Special Adviser further stated that one of his Government's most important goals was the development of its resources in a manner which would transform the economy of the Marshall Islands from one of substantial dependence on outside economic aid to one that was autonomous and self-sustaining. As part of the Marshall Islands' relationship of free association, the United States had indicated a willingness to assist it in reaching that goal, but it had not as yet offered a level of economic assistance that was considered even marginally adequate to meet the needs of the Marshall Islands and enable it to achieve economic self-sufficiency. The United States was currently re-evaluating its economic assistance proposals. The Marshall Islands Government hoped that in the very near future the United States Government would present to it an offer of assistance that was truly responsive to its needs and consonant with the trust responsibilities solemnly undertaken by the United States.

387. Mr. Sadang Silmai, Special Adviser, stated that the decline in United States assistance which had been forecast for 1980 and 1981 would further complicate the transition. In the next two years, Palau would find it necessary to accomplish more governmental tasks, including the provision of health services and education to a rapidly expanding population, with less funds and without a productive economy.

388. Senator Olter, Special Adviser, stated that the High Commissioner had informed the Trusteeship Council at its forty-fifth session that it was his Administration's policy to lay a viable infrastructure specifically designed for remote areas and outer islands.

389. The Special Adviser further stated that that policy had been abandoned and that United States policy and programmes, intended to promote economic development in the four central districts of the Trust Territory, had not been successful. The economy of the Trust Territory remained almost totally dependent on direct United States financial assistance. The situation became more critical since present United States territorial policy was one which continued to reduce social services and development assistance without having first established an independent local economy capable of promoting its own economic growth and development.

390. The Special Adviser added that the economic situation in the Trust Territory in the last years of the United States trusteeship was precarious, since the Territory had not yet acquired the proper tools with which to build a uniquely Micronesian economy. At the same time, the Territory's external assistance was

being reduced, which meant a reduction in employment and in its primary source of income, which in turn reduced government revenues, making it difficult to provide needed social services and to finance development programmes.

391. The Special Adviser further stated that since his Government's budget continued to be constrained by a United States fiscal policy of reduced spending in the Territory, he disagreed with the High Commissioner's current proposed budget for 1980, and concurred with previous recommendations of the Trusteeship Council that United States assistance for operations and development programmes should be increased during the critical transition period.

392. The Special Adviser also stated that export income in the Federated States of Micronesia had declined over the last decade. By 1977, tourism and commodity exports had paid for only 4 per cent of the total expenditures in the Federation. In 1977, import expenditures had been 940 per cent greater than export earnings, a situation that had not changed in the intervening years. With such a large import-export gap, and a balance of payments completely dependent on United States financial assistance, the Federated States would have difficulty in attracting private investment capital to the islands. At the same time, trade within the Federation had not been adequately developed and export markets had not been established.

393. At the same session, Mr. Carlos Camacho, Governor of the Northern Mariana Islands and Special Representative, referring to development programmes in the Northern Mariana Islands, stated that a contract had been signed for a new 21-megawatt power plant that should be completed by May 1980 and should supply sufficient power for foreseeable developments on Saipan. Two 600-kilowatt generators had been ordered, one for Rota and one for Tinian. Sewer systems were being improved extensively, and a federally financed deep-well supply project currently under way had already added 4.1 million litres of water to the daily supply on Saipan. That had been sufficient thus far in the dry season to eliminate, or at least to postpone, the need for water rationing.

394. With regard to tariff treatment, the representative of the United States said that Canada and Japan had already extended the Generalized System of Preferences to the Trust Territory. The High Commissioner had submitted an application requesting that United States preferential treatment be extended to include the Trust Territory's major export item, coconut oil, which request was under active consideration within the United States Government.

395. Senator Olter, Special Adviser, stated that tariff barriers between Micronesia and the United States regarding tuna remained unchanged. Those barriers severely restricted the development of fisheries and failed to reflect what had been and would continue to be regarded as a special relationship between Micronesia and the United States.

396. The representative of France said that the people of the Trust Territory of the Pacific Islands, who had long been isolated, had been brusquely confronted with other civilizations, and that they had legitimate hopes of a greater share in the fruits of world economic development. Moreover, even more than others they had been the innocent and helpless victims of the intrusion into their islands of the modern world.

397. The French representative pointed out that at the present time, the resources of the islands and the surrounding waters could not provide the Micronesians with the means to maintain the standard of living to which they had become accustomed. In those circumstances, it was understandable that some of them felt apprehensive and sought to obtain safeguards for their future from the Administering Authority.

398. With regard to the Federated States of Micronesia, the French delegation sympathized with the fears expressed by Senator Olter, Special Adviser. That new entity consisted solely of the four poorest districts of Micronesia which were therefore the least equipped to face the future. Thus, it was clear that the Administering Authority should be particularly careful in the coming months to give the Federated States of Micronesia the structures and means to function properly.

399. The representative of France stated that, apart from the buildings which would be erected at Kolonia to accommodate the civil service and to house officials, it was urgent that a rapid and effective system of telecommunications be developed at least between the principal islands.

400. The representative of France stated that the use of local resources was another area that concerned his delegation. It was essential to stress the exploitation of existing sources of energy in the Territory: hydraulic, solar and wind energy. In addition to the savings in imports that development of such forms of energy would permit, it would also affect the general economy of the Territory. For example, small generators could be used for refrigeration of warehouses or cold rooms for the preservation of fish and meat.

401. The French delegation felt that it should be possible to promote local production for local consumption in order to reduce imports, even where import costs were low. It understood that bacon and ham from the United States were available at very low prices. Nevertheless, the people of the Territory, if organized in co-operatives, should be able to raise enough pigs for their needs, and the same was true also for poultry, fish, rice and some vegetables. It was not reasonable for the Territory to be totally integrated into the liberal economic system of the Administering Authority. As a result of its particular circumstances and distance from the major trade routes, the Territory should enjoy a special system of protection and be encouraged to produce food-stuffs for local consumption.

402. The representative of France stated that the inhabitants of the Trust Territory and the Administering Authority should make an effort to build an economic system suited to the Territory, rather than one based on the systems of the industrial countries. Micronesians ran the risk of serious difficulties if they tried to copy those countries. He referred in particular to investments in infrastructure works, which were very costly and which subsequently entailed maintenance costs which were out of proportion to the benefits they brought. For example, the building of certain roads, although convenient, had led to the importation of vehicles which were obviously not needed in areas where water provided the ideal traffic route. Quite naturally, the car owner then asked for improvements which could not be provided by the local budgets. The French delegation was not suggesting the prohibition of any road building, but merely that any investment should really benefit the whole community.

403. The representative of the United Kingdom stated that complementary to, and an essential part of, the arrangements for the future relationship between the various components of the Trust Territory was the question of Micronesian self-sufficiency. It was crucial that by the end of the trusteeship period plans should have been drawn up and if possible implemented to ensure an economic infrastructure with the resources and capabilities to make Micronesian self-determination a reality. According to the United Kingdom representative, the key was the development of productive industries, which alone could generate wealth and employment simultaneously. Both the United States and the Governments of Micronesia had their parts to play, the former in providing the assistance and much of the expertise, and the latter in formulating their needs and supervising the execution of plans.

404. The United Kingdom delegation regretted that the proposed second-level capital improvement programme had not been approved, although the Deputy High Commissioner of the Trust Territory had stated that at least some elements of the plan had been incorporated in the regular capital improvement programme. His delegation hoped that the Administering Authority would consider whether those elements were enough to meet Micronesia's needs, or whether other parts of the second-level programme should also be revived.

405. The representative of the United Kingdom said that one of the problems which most urgently needed to be tackled before the termination of the Trusteeship Agreement was the problem of basic infrastructure and communications in a community as widely scattered as that of Micronesia. The problems of the outer islands were particularly acute. In many cases relatively small levels of capital expenditure could make a substantial difference.

406. The United Kingdom delegation believed that the kind of works envisaged in the second-level capital improvement programme was important since, unless something could be done to improve the standard of living on and reduce the remoteness of the outer islands, it feared that the drift of population towards district centres, which had been a feature in recent years, would continue steadily. In addition, as the High Commissioner of the Trust Territory had pointed out to the Council in 1978, the upgrading of the infrastructure of the outer islands would enable them to contribute more effectively to the general economy.

407. The representative of the United Kingdom said that he had dealt with the second-level capital development programme at length because of the importance which his delegation attached to those small infrastructure projects in the outer islands. His delegation welcomed the work which had already been done in a number of fields and which was recorded in the report of the Administering Authority for 1978.

408. The representative of the Union of Soviet Socialist Republics noted that, despite the Administering Authority's reports on the social and economic progress achieved in the Trust Territory, the actual situation there remained serious, as was testified to by the Micronesians themselves and by those who had travelled in that Territory. Thus, for instance, after its visit to the Territory, the 1978 Visiting Mission carefully but at the same time unambiguously criticized, in paragraphs 37 to 45 of its report, 32/ the results of the Administering Authority's policies in the Territory. The report stated that, by any standard, the Micronesian economy as a whole showed wide disparities and a serious imbalance in

32/ Ibid., Supplement No. 2 (T/1795).

development; that the economy was heavily dependent on outside financing, not only for capital development but also for the recurrent government expenditures; that the implementation of the five-year indicative development plan had fallen behind schedule; and that unemployment, particularly among school and college leavers, was extremely high.

409. The Soviet Union representative said that a less diplomatic but more frank view had been given in an article published in The New York Times of 29 December 1978, in which it was stated that desolation was prevalent everywhere in the islands and that new buildings seemed lost in welters of rusted metal structures that had originally been built for temporary military use in the Second World War. The author of that article had observed that roads, including main city throughways, remained unpaved and that telephone communications were meagre or non-existent. According to the same author, water supply was inadequate, even in Palau where there was a high level of rainfall, because of neglect.

410. The Soviet Union representative said that in talks with the author of the article, the Micronesian leaders had not hidden their deep disillusionment with United States policy in the Territory. High Chief Ibedul Gibbons of Palau had stated that the United States had not fulfilled its obligations, pursuant to the Trusteeship Agreement, in developing the islands' economy.

411. Further, the representative of the Soviet Union referred to a letter to The New York Times of 29 January 1979, from the Assistant Secretary of the Interior of the United States. The Assistant Secretary had written that he did not dispute the criticism of Micronesian officials with regard to past policy and practices of the Government of the United States, particularly with respect to slow economic growth there.

412. The representative of the Soviet Union pointed out that not only did those facts reflect that the lack of economic organization and the maintenance of backwardness in the Trust Territory constituted neglect by the Administering Authority of its direct responsibilities, but, even more so, it was a question of conscious policy aimed at preparing for the incorporation of the Trust Territory by the Government of the United States.

413. The Soviet Union representative said that an article published in US News and World Report of 7 August 1978 had noted that economic instability would probably force Micronesia, together with the other United States colonies, to request to join the United States.

414. The representative of the Soviet Union said that that was the true social and economic situation of Micronesia, which could not be used by the Administering Authority in attempting to prove that it was fulfilling its obligations in the Territory in accordance with the Charter and the Trusteeship Agreement. If the Trusteeship Council was truly concerned with and devoted to the fate of the people of Micronesia, it must in the most decisive possible way demand that the Administering Authority quickly and effectively eliminate all the impediments it had created to the development of the economy and the raising of the social and economic standards of the population there and that it lead the Territory towards self-determination and independence.

Public finance

415. At the forty-sixth session of the Trusteeship Council, Senator Olter, Special Adviser, stated that the Administering Authority had proposed a budget of \$US 99 million for the Trust Territory for fiscal year 1980, a reduction of \$US 15 million from the allocation for 1979. Even more severe reductions were proposed for 1981. He emphasized that the position of the Territory would become much more difficult since all budget requests initiated by the new Government had to be submitted to, and approved by, the High Commissioner.

416. The Special Adviser further stated that, while funds for direct operations in the individual districts remained constant or were being reduced, direct financing for central government operations was at present non-existent, which left the Federated States with three alternatives: to begin administrative tasks in existing facilities on Saipan, which would separate the legislative and executive functions and isolate the executive branch from every State in the Federation; to set up a token government in Ponape, without staff or operational support, and continue to depend on guidance from the existing Trust Territory Government on Saipan; or to abandon the Federation and allow continued fragmentation of the Trust Territory.

417. The Special Adviser recalled that, at the forty-fifth session of the Council, the High Commissioner had stated that the financial management system of the Trust Territory was unnecessarily costly and complex and had implied that action would be taken to correct the problem. However, a year later, the system was still in existence, and, so far as was known, no firm time-table had been established for its replacement with a more economical and realistic system.

418. The representative of the United Kingdom said that it was not unusual during the last stages of a relationship between a dependent Territory and an Administering Authority for the former to feel that the current level of financial assistance was inadequate while the latter regarded it as sufficient, and indeed generous. In the case of Micronesia, because of the outcome of the constitutional referendum of 12 July 1978, there was an additional factor. The need to set up new governmental structures at that juncture had imposed a further source of expense. But such changes during the latter stages of dependence were not unique and it was very often the case that the level of budgetary and developmental assistance from the metropolitan Power to the dependent Territory was at its peak in the years immediately preceding and following the achievement of full self-government.

419. The representative of the United Kingdom observed that, although the Council had been given a good deal of information on financial assistance during the forty-sixth session, it was difficult at a distance from Micronesia to form any authoritative judgement on whether the current level of assistance and that planned for future years were adequate to bring about the changes and improvements which were necessary before the termination of the Trusteeship Agreement. However, he noted that the total level of financial support from the Administering Authority had continued to rise yearly.

Assistance from international institutions
and other countries

420. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that the Bureau of Resources of the Trust Territory Government had been working closely with UNDP to bring in development experts in accordance with the requests made by the various districts and states. A handicraft adviser was at present in the Territory, a coconut products expert was expected shortly, and other experts had been requested in the areas of citrus processing, pottery, mariculture, garments, furniture, woodworking, printing and tourism.

421. The Special Representative stated that the third national technical assistance programme was intended primarily to deal with assistance on a government-to-government basis and not to encompass private investments. Under that programme, technical assistance had been received from the Government of Japan in connexion with fisheries development projects in Palau, Truk and Ponape.

422. Senator Manglona, Special Adviser, stated that the official status of the Northern Mariana Islands as a commonwealth would not fully come into being until the termination of the Trusteeship Agreement. Accordingly, the Government of the Northern Mariana Islands believed that it was still entitled to the full scope of the expert assistance that the United Nations could provide. Assistance to those islands from the United Nations since 1 January 1978 had diminished, and he asked the Council to review that matter and requested that the islands be permitted and encouraged to participate in the programmes offered by the United Nations.

Credit

423. At the forty-sixth session of the Trusteeship Council, Senator Olter, Special Adviser, recalled that at the forty-fifth session of the Council the High Commissioner had announced the reorganization of the Economic Development Loan Fund, which would permit the release of more than \$US 3.5 million of vital development capital and provide an administrative structure for future loans. After at least two years of planning, and well over a year after a conscious policy decision had been made to reactivate the development loan fund, it still remained closed.

424. Mr. Sablan, Deputy High Commissioner and Special Representative, stated that, because of some prior problems in the management of the Economic Development Loan Fund, it had been necessary to review the structure of its management. A proposal had been forwarded for review to the Department of Interior, where it had received general concurrence. Final approval of the proposal by the Subcommittee on Interior and Insular Affairs of the United States Congress was expected by June 1979.

Land

425. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that the actual transfer of title to all public lands to local control was progressing. The vast majority of

public lands in Ponape, for example, had been transferred to local control in February 1979, and the remaining lands eligible for transfer under Order No. 2969 would be transferred in the very near future. Completion of the transfer in Palau had been temporarily delayed due to a recently adopted position of the Palau District Lands Authority that it would not accept title to lands covered by lease agreements which extended past the termination of the Trusteeship Agreement. With the establishment of constitutional governments in the other districts, it was anticipated that all public lands, including public facility sites, would soon pass to local control.

426. The Special Representative further stated that the surveying of all known public lands had been completed, and the cadastral indices depicting those lands would be finished in the near future. Adjudication of titles to public lands was expensive and time-consuming, but land believed to be public lands had been surveyed and their mapping was rapidly nearing completion.

427. Senator Olter, Special Adviser, stated that he was able to report limited progress in other areas as well. The long overdue return to Micronesian control of lands claimed by the Trust Territory Government was scheduled to be completed by 1 June 1979. However, many of those lands came burdened with adverse claims that had never been satisfactorily or fairly resolved. It would be an arduous process to correct the injustices of past decades.

Agriculture and livestock

428. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that the integrated feedmill and livestock project in Palau was progressing well, with 60 head of cattle currently at the Nekken Station on Babelthuap.

429. The Special Representative also stated that an agricultural census, scheduled for completion in 1980, was proceeding on schedule in 1979. The cost of the project (\$US 400,000) was being financed through the Comprehensive Employment and Training Act (CETA).

430. Senator Olter, Special Adviser, referring to the rice project on Ponape, stated that the funds originally requested by the former Congress of Micronesia had not yet become available and that the project was still experimental. Some problems encountered to date included supplying the site with workers and materials and having to use very small boats since no roads led to the work sites. The main problem foreseen when the project went into production was a lack of financing with which to attract workers or farmers to the project. There was at present a plan to set up the proper infrastructure to produce enough food-stuffs to feed the people of the Federated States of Micronesia and probably to export rice to nearby islands.

431. Mr. Sablan, Deputy High Commissioner and Special Representative, stated that personnel from the Soil Conservation and Forestry Service of the United States Department of Agriculture had begun a soil and forestry survey in the Trust Territory. The survey in the first district, Ponape, was to be completed by December 1979. The survey in the remainder of the Territory would be completed by 1981. A feasibility study for the development of a commercial pepper plantation in Ponape had been completed. The study, which proposed the planting of several

thousand hectares of black pepper in several locations in Ponape, called for a \$US 5 million to \$US 7 million investment. In other agricultural developments, a 500-bird broiler project in Truk would soon be completed and would be in operation within the next few months.

Marine resources

432. At the forty-sixth session of the Trusteeship Council, Mr. Silmai, Special Adviser, stated that the Palau Legislature had recently enacted a law establishing the Palau Maritime Authority to regulate exploitation of the 200-mile fishing zone. The United States had been most helpful in that effort, and had recently concluded a licensing agreement with Japanese fishing co-operatives that had agreed to respect the waters of Palau and to exploit them only under the supervision of the Maritime Authority.

433. Senator Olter, Special Adviser, stated that, early in 1979, the Federated States of Micronesia had initiated negotiations with various foreign fishing interests engaged in harvesting fishery resources within the 200-mile zone and had concluded agreements with fishing associations in Japan and Taiwan. He pointed out that there were still several areas of juridical responsibility to be resolved with the United States, including the issue of the capacity of the Federated States to sign multilateral law-of-the-sea treaties in its own right and name. To that end, the Administering Authority should support the exercise of those responsibilities to assist the Federated States in exercising full jurisdiction over the fishery resources in its marine space.

434. The representative of the United States said that, under the free association relationship contemplated by the parties, it was envisioned that the Federated States of Micronesia would have, during the post-trusteeship period, complete authority to regulate fishing in their marine or natural resources zones, in addition to their territorial waters.

435. Mr. Silmai, Special Adviser, stated that the initial one-year agreement between the Palau Maritime Authority and the Japanese fishing industry did not provide for employment. However, the agreement provided for a lump sum payment, which had already been made by the Japanese fishing industry, for the right to fish within the 200-mile economic zone.

436. Mr. DeBrum, Special Adviser, stated that the Marshall Islands Maritime Authority had yet to conclude a fishing agreement with foreign fishing interests and was in the process of arranging suitable negotiations along those lines.

437. The representative of France stated that his delegation had noted with satisfaction the fishing agreements concluded by the different Micronesian entities with Japan. It saw there both an important step in affirming the Micronesian personality and a decisive stage in the exploitation of its marine resources. It was important that the United States, to which fell the control of the 200-mile zone, should exercise the greatest possible vigilance to ensure respect for the rights of the Micronesians. The French delegation had been indignant to learn recently of the violations committed in Palauan waters by Taiwanese fishing craft.

Transport and communications

438. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that the last of seven new modern Islander-class field trip ships had been delivered to the Trust Territory Government on 1 April 1979. All seven vessels were currently deployed throughout the Territory to provide the maximum possible cargo and passenger service to all islands having sufficient population or productive capacity to require such service.

439. Mr. Camacho, Special Representative, stated that harbour development and improvement were under way on Tinian and Rota, the latter project being the more extensive (\$US 1.25 million). Saipan continued to use port facilities that were entirely inadequate for present traffic. Extensive improvements were needed, including dredging and construction, which would require special funds from the United States Congress.

440. Mr. Sablan stated that the construction of the new Truk International Airport was in progress, with completion set for 1 August 1980. Airport designs for Kosrae, Yap and Palau had been completed. The award of a contract for paving the Ponape International Airport was scheduled for 22 May 1979. Feeder airlines, utilizing small, propeller-driven aircraft, were operating in all districts and states, except the Marshall Islands.

441. Mr. Camacho stated that during 1978 the Government of the Northern Mariana Islands had entered into contracts for various improvements to the existing airport facilities in Rota, Tinian and Saipan. The sum of \$US 2.5 million had been made available to improve the Rota Airport. Major changes were under way at the West Tinian Airport.

442. Senator Olter, Special Adviser, stated that in the area of telecommunications there appeared to have been some concrete action by the Administering Authority to undertake both short-term and long-term improvements. That long-overdue action was to be praised, particularly since the existing communications system was virtually useless to the Government of the Federated States of Micronesia in maintaining essential contacts with the states and the outside world.

Proposal for a super-port in Palau

443. At the forty-sixth session of the Trusteeship Council, the representative of the United States said that a proposed agreement for a feasibility study by a consortium of Japanese business firms on the development of a super-port in Palau was before the High Commissioner of the Trust Territory. It was the position of the Administering Authority that a feasibility study was a necessary first step; that the impact of such a project on the Palauan environment should be thoroughly and objectively assessed; that the approval of the people of Palau would be required; and that any request for a super-port would have to comply with Palauan law, the Trust Territory Code and applicable United States laws.

Co-operatives

444. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that there were 20 fishing co-operatives operating in Micronesia which were run primarily as private enterprises. It had been the intention of the Administering Authority, since the inception of the programme, to put emphasis on co-operative movements and credit unions. That same emphasis would continue to be placed on the development of that type of enterprise in Micronesia during the remainder of the Trusteeship period.

D. SOCIAL ADVANCEMENT

1. Outline of conditions

Human rights

445. The current report of the Administering Authority states that the inhabitants of the Trust Territory are, inter alia, guaranteed the following basic human rights and fundamental freedoms as set forth in the Trust Territory Code: freedom of religion, of speech and of the press; the right of assembly and the right to petition; protection against unreasonable search and seizure; no deprivation of life, liberty or property without due process of law; no discrimination on account of race, sex or language; the maintenance of free elementary education; no imprisonment for failure to discharge contractual obligations; writ of habeas corpus; protection of trade and property rights; and due recognition of local customs.

446. The right of petition is granted and inhabitants have petitioned the United Nations and the Administering Authority. Petitions have also been submitted to United Nations visiting missions verbally and in writing. The Universal Declaration of Human Rights has been translated into the Territory's nine major languages and copies have been distributed to local government institutions, schools and various community groups.

Medical and health services

447. The Department of Health Services has responsibility for planning, organizing and administering all medical and health programmes. The Trust Territory Health Co-ordinating Council, composed of members from all districts, reviews and co-ordinates health services and the implementation plans of each of the district departments; prepares, and revises if necessary, a territory-wide health plan; reviews the annual budgets of the Department of Health Services as well as those of the districts; and examines requests submitted by that Department for various federal grants.

448. The Office of Health Planning and Resources Development of the Department of Health Services is responsible for health planning and resources development and also co-ordinates federal health programmes in the Trust Territory at various levels.

449. There are seven main hospitals in the Territory and two subdistrict hospitals, one at Rota (Northern Mariana Islands) and the other at Ebeye (Marshall Islands). Plans are being made for the construction of a new hospital in Majuro (Marshall Islands). A new 116-bed hospital has been opened on Ponape. The construction of a new 50-bed hospital on Yap, which started in 1976, was completed in April 1979 and construction of a 35-bed hospital on Kosrae was completed in 1978. In addition, there are 173 dispensaries and medical aid posts scattered throughout the Territory.

450. The current annual report states that in September 1978 there were 1,098 persons on the staff of the Department of Health Services (excluding those employed in the Northern Mariana Islands), including 1,054 in the districts and 44 at headquarters. Of this number, 46 were physicians, 48 were physicians' assistants

(trained under the MEDEX programme), 21 were dentists, 6 were registered or university trained nurses, 163 were graduate nurses and 351 were health assistants and practical nurses.

451. In September 1978, there were 149 persons on the staff of the Department of Health and Environmental Services in the Northern Mariana Islands. Of this number, 10 were physicians, 3 were physicians' assistants (trained under the MEDEX programme), 4 were dentists, 7 were registered nurses, 36 were graduate nurses and 26 were practical nurses.

452. At its forty-fifth session, the Trusteeship Council noted with satisfaction the progress made in strengthening the health and hospital infrastructure of the Trust Territory. The Council further welcomed the expansion of the system of health assistance which had contributed to a significant improvement in the health care delivery system in the outer islands. It noted with satisfaction that a programme of continuing education for nurses had been implemented throughout the Trust Territory and that the immunization level in the Territory was now equal to that of many developed countries. The Council recommended that the policy of expansion should be continued with a view to improving the health service facilities in the periphery of the Trust Territory.

453. The current annual report states that there was significant progress in strengthening the health and hospital infrastructure of the Trust Territory during the year under review. Work on 38 dispensaries scattered throughout the Territory - mostly on outer islands - has been completed. Plans are under consideration for the construction of a new hospital for the Marshall Islands. A three-year in-service training programme was started on 1 October 1978 at the Ponape Hospital to train some 114 health workers. Four doctors from the United States National Health Service Corps, specialists in the fields of surgery, paediatrics, internal medicine and obstetrics and gynecology, will serve at the Ponape Hospital, for two years. The first was due to arrive in March 1979 and the others shortly thereafter. Meanwhile, a complete immunization survey based on district records reveals that the over-all immunization level among people under 20 years of age is not as high as originally reported. However, a campaign is under way to raise the immunization level of pre-school and elementary school children to 90 per cent. The campaign, which is expected to be completed by the end of September 1979, has already exceeded the 90 per cent goal in Paulau and Kosrae. The Marshall Islands, Ponape, Truk and Kosrae expect to reach their respective goals by August 1979.

454. The annual report states that recurrent expenditure on public health in the Trust Territory totalled \$US 7.8 million in 1977/78.

455. In its report, the 1978 Visiting Mission notes that a problem was already arising with regard to the maintenance of infrastructure provided through the capital development programme. Given the limited budget of the Trust Territory and district Governments, it is important that new facilities should be built on a scale, to a standard and of materials which do not impose excessive maintenance costs. That problem was particularly noticeable in respect of hospitals. The Mission was favourably impressed with the new 116-bed hospital at Ponape, but found that the hospitals at Truk and Koror, although opened only a few years ago, were already exhibiting signs of deterioration and lack of maintenance and that the hospital on Majuro appeared, during a brief visit by the Mission, to be in much need of improvement. There is now a hospital in each district centre and one on Ebeye. New hospitals are under construction in the district centres in Yap and Kosrae. There is also a 30-bed rehabilitation centre annexed to Majuro Hospital.

456. The 1979 Visiting Mission states in its report that it had been deeply disturbed by an account of the state of hygiene and the working conditions in the Marshall Islands District Hospital at Majuro, contained in a letter dated 19 July 1978 addressed to the Trusteeship Council by a surgeon from the United States on the staff of the hospital who subsequently resigned (T/PEP.10/134). It was also aware that the High Commissioner of the Trust Territory had subsequently ordered an inquiry and in September 1978 had appointed an emergency task force.

457. During its visit to the Marshall Islands to observe the referendum, the Mission visited the hospital to see for itself what improvements had been made. At the time of the visit, many of the improvements recommended by the task force had already been undertaken. The entire hospital had been cleaned and repainted, the grounds had been cleared of debris and a new parking area had been made to free the hospital entrance from obstruction. Some structural alterations had also been made to keep visitors away from working areas.

458. Other improvements undertaken included urgent plumbing and electrical repairs, reorganization of the medical records office, the drawing up of an inventory for the medical warehouse and the removal of drugs whose expiration date had passed. A card index system had been introduced to ensure that all dates of expiry would in future be properly recorded. The Mission was informed that all orders for drugs and equipment from the hospital were now being promptly met.

459. The members of the Mission were also shown the renovations undertaken in the polio rehabilitation ward and the X-ray department.

460. The Mission asked about staffing problems, which were unfortunately still a serious cause for concern. Efforts were being made to find a new surgeon, an internist and a fully qualified hospital administrator. The members of the Mission were impressed by the energy with which the task force appeared to be trying to overcome the problem of transforming the hospital into a hygienic, well run establishment. They noted with approval that steps were also being taken to train the present staff in methods of maintenance, which was particularly important in the climatic conditions of Majuro. In that context, they also noted that the High Commissioner had recommended that the site of the new hospital (the old airport at Dalap) should be as far from the sea as possible to minimize the process of corrosion from the ocean spray which had had a damaging effect on the present building.

461. The Mission also paid a brief visit to the hospital on Ebeye where its attention was drawn to the inadequacy of the surgical equipment in the hospital.

Community development

462. The principal organizations involved in community development in the Trust Territory are the Community Development Division and the community action agencies. The Community Development Division co-ordinates the activities of various governmental programmes, provides technical advice for self-help activities and gives support to various community groups such as women's and youth organizations. The grant-in-aid programme represents one of its main activities.

463. Through the grant-in-aid programme, the Administration extends financial and technical assistance to local communities for public projects where local cash

resources are inadequate. These projects may involve the construction of facilities, such as roads, docks, dispensaries, buses, ferry-boats and electric power plants.

464. The current annual report states that, since 1967, some 395 communities or organizations have received needed facilities valued at about \$US 3.0 million through grants-in-aid. Facilities provided in 1978 were estimated to be worth about \$US 150,000.

465. During the forty-fifth session of the Trusteeship Council, the Administering Authority reported that four of the six districts had a community action agency. The agencies continued to play an important role in the communities, providing comprehensive social services rather than specialized services. The Community Services Administration provided over \$US 750,000 a year in grants to the community action agencies. An additional \$US 700,000 was made available by the United States Department of Health, Education and Welfare (HEW) for the operation of head start programmes designed for pre-school children.

466. The Department of Community and Cultural Affairs of the Government of the Northern Mariana Islands is responsible, among others, for the family food distribution and the grant-in-aid programmes. It provides advice to community groups such as women's and youth organizations. The Division assists the elderly by identifying their basic needs and initiating appropriate programmes to meet such needs.

Labour

467. According to the current annual report, it is the policy of the Trust Territory Government to give employment preference to qualified Trust Territory citizens in employment at all levels. It is also the Government's policy to further its programme of "micronization" through more intensified training of executive managerial and supervisory personnel. Alien workers are employed only when skilled Micronesians are not available to fill vacancies.

468. The number of wage-earners (excluding those in the Northern Mariana Islands) employed during the year under review was 23,939, of whom 4,575 were non-Micronesians.

469. The annual report under review states that the Government of the Northern Mariana Islands remains the largest employer in the Islands, with a total of 5,525 employees, of whom 1,356 are non-Micronesians. Mariana residents still employed by the Government of the Trust Territory are given precedence for recruitment when vacancies exist in the government service of the Northern Mariana Islands. Efforts are being made, however, to place those employees in the private sector where employment opportunities will be increasingly realized.

470. At its forty-fifth session, the Trusteeship Council continued to be concerned at the imbalance between wage-earners employed in the public sector and those employed in the private sector. It noted the efforts of the Administering Authority to continue to reduce the number of officials employed by the Government of the Trust Territory. The Council noted with concern that the lack of skilled Micronesian workers was still a serious problem and hoped that the Trust Territory Government would continue in its efforts to address that problem through its

apprenticeship programme. The Council welcomed the efforts by the Administering Authority to minimize the importation of alien labour and noted with pleasure the 15 per cent reduction which had resulted. The Council hoped that further reduction of unemployment would result from the programmes undertaken under CETA and the increased employment opportunities as a consequence of the construction projects to be started throughout the districts over the next two years.

471. The Council noted with interest the statement by a special adviser that there was no unemployment problem in the Northern Mariana Islands.

472. The current annual report states that there is a need to continue the effort to correct the wage imbalance between wage-earners employed in the public sector and those employed in the private sector, and that the Division of Labour recognizes the need to give employment opportunities to those who lose positions in the public service when and wherever possible. Forty Micronesians from all districts were chosen to participate in the CETA-financed apprenticeship programme designed to develop skills in 16 different trades to help alleviate the lack of skilled Micronesian workers in the various vocations. This programme, which ranges from two to four years, was integrated into the Navy Apprenticeship Program on Guam and was fully implemented on 1 October 1978. The Division of Labour will continue to minimize the influx of alien workers, but the number of capital improvement projects that are to be instituted in the Territory will have an effect on the entry of aliens into Micronesia.

473. The 1978 Visiting Mission notes in its report that the most pressing social problem is that of unemployment, particularly among school and college leavers. There is universal primary education and a high level of secondary education, but only a small proportion of those who graduate from school or college can expect to find employment. The problem is exacerbated by the past practice of emphasizing liberal education as opposed to vocational training. A programme for the reorganization of government is under way. It is clearly desirable that a greater proportion of the population should be employed in the productive sector rather than in government service.

474. In its report, the 1979 Visiting Mission notes that, in the Marshall Islands, the low level of economic activity has resulted in considerable unemployment: 24 per cent of the labour force of some 7,000 people is unemployed. The unemployment rate is even higher on Majuro and Ebeye (approximately 40 per cent).

Housing

475. In 1973, the Congress of Micronesia passed the Community Housing Act, which established a Territorial Housing Commission with power to participate in major United States housing programmes. The Commission focuses on ways to provide low-cost housing for low-income families. The Commission and six district housing authorities were established in 1974.

476. At its forty-fifth session, the Trusteeship Council noted with satisfaction that in 1977 the Trust Territory had received grants from the United States Department of Housing and Urban Development (HUD) for housing development and rent subsidies for lower income families, as well as a loan for housing improvements by homeowners. It further noted that HEW had made funds available for house renovation projects in the Trust Territory. It noted with satisfaction that the

Mariana Islands Housing Authority (MIHA), a public corporate entity entrusted with housing development, had made home-ownership loans available and had assisted families in the construction of safe and sanitary homes. The Council reiterated its recommendation that efforts to construct or renovate housing should be actively continued and that the necessary resources should continue to be made available for low-income housing.

477. The current annual report states that in 1978 the Trust Territory received from HUD grants totalling \$US 1.0 million for housing development and \$US 220,000 for rent subsidies for lower income families. The Territorial Housing Commission has submitted an application to HUD for a community development grant of \$US 1,431,320, of which \$US 400,000 is earmarked for a "Latorex" plant, which will utilize local soils to produce a high -strength building material at a very low price. The Commission is also establishing a manufacturing facility for building materials, which will make it possible for homeowners to obtain the material at a very low price. The factory will be financed mainly by HUD. The raw materials for the factory are locally available.

478. MIHA has made available home-ownership loans to some 250 families and has assisted them in the construction of safe and sanitary homes. According to the current annual report, by the end of 1978, MIHA would have made available a total of \$US 1.0 million in loans to some 60 families during that year.

479. With the enactment of the Housing and Community Development Act of 1974, the Northern Mariana Islands became eligible for assistance under the United States Housing Assistance Program which provides housing subsidy payments on behalf of low-income families. Further, HUD makes housing assistance payments to the Government of the Northern Mariana Islands on behalf of eligible families. During the year under review, the Government also received \$US 559,000 from a private lending institution to finance the construction of dwelling units and related housing activities. Further, HUD approved a project for the construction of 25 additional units in Saipan and 30 units in Rota, at a total cost of \$US 1,662,300, which was obtained from a private lending institution.

Public safety

480. At its forty-fifth session, the Trusteeship Council noted with concern the increase in the number of offences committed by young people, particularly in the district centres. The Council welcomed the efforts being made to combat delinquency in general and juvenile delinquency in particular, and recommended that preventive efforts should be continued.

481. The current annual report states that in four of the six districts, Palau, Truk, Yap and Ponape, experienced law enforcement officials have been recruited from the Police Department of Honolulu to assist in the administration of the departments of public safety and to train their personnel. The annual report states that there has been a reduction of 43 per cent in the number of offences committed particularly by young people.

482. In December 1978, the United States Law Enforcement Assistance Administration and the Office of Juvenile Justice and Delinquency Prevention awarded grants to the Trust Territory totalling \$US 376,250 for fiscal year 1979, for projects designed to reduce crime and delinquency and to improve the criminal and juvenile

justice systems in all six districts of the Trust Territory. Further, individual public safety departments have promoted organized athletic activities for youths in association and co-operation with local law enforcement officers.

Peace Corps

483. Peace Corps volunteers have continued to serve in education as well as in a number of other areas. They provide architects, engineers, lawyers, health professionals, accountants, construction workers, etc. According to the Administering Authority, the most significant contribution of the Peace Corps continues to be in the field of education.

484. In 1978, Peace Corps trainees and volunteers in Micronesia numbered 196, of whom 72 were serving in an educational capacity. The current annual report states that, as Micronesians continue to assume responsibility for their own affairs, the number of needed Peace Corps volunteers will be reduced. Micronesian programmes will be supported in the future by the Peace Corps as long as the volunteers and their Micronesian hosts benefit mutually from the association.

2. Discussion in the Council and opinions expressed

Medical and health services

485. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that six dispensaries built in Palau under the Hill-Burton Dispensary Program had passed inspection in April 1979 by a group of officials from the Trust Territory and HEW and had been found to be both physically and operationally satisfactory. That completed the programme of construction of 38 dispensaries in the Trust Territory which had begun in 1975. In addition, new haemodialysis units had been completed for Palau and Ponape, thus providing in-territory services for end-stage renal disease patients.

486. Mr. Camacho, Special Representative, stated that although the Northern Mariana Islands hospital had admirably served the community's needs during typhoon catastrophes, massive accidents and epidemics, it was desirable to have it accredited according to United States standards so that, among other benefits, the Commonwealth would become eligible for Medicaid and Medicare support. In that connexion, a Medicaid accreditation team had visited the hospital for an initial survey and had found its structure and facilities to be deficient on every count. In their view, the hospital structure was antiquated, dangerous and impossible to renovate. Plans were currently well under way for constructing an entirely new hospital that would meet all foreseeable standards, subject to securing supplemental appropriations from the United States Congress.

487. The Special Representative also stated that the Northern Mariana Islands had established contractual relations with the School of Medicine, University of Hawaii, for professional support. Two staff specialist-physicians from the University were already working at the hospital and another was expected soon. The physicians had organized their activities so as to conform to various accreditation and professional review requirements. New in-service training programmes for nurses had also been organized and were under way.

488. The representative of the United States said that it was planned to replace the hospital at Majuro at an estimated cost of \$US 8 million. The Trust Territory Government was continuing its efforts to recruit a hospital administrator.

Community development

489. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that there was an ongoing family planning programme in virtually all districts, although the people had been reluctant to participate actively in the programme. He emphasized the need to control population growth, stating that Micronesian resources would not in the near future be sufficient to support rapid population growth. The Trust Territory Government was pursuing the matter through government agencies. How successful the effort would be depended almost entirely on how Micronesians viewed the programme in the context of their own social structure.

Labour

490. At the forty-sixth session of the Trusteeship Council, Senator Olter, Special Adviser, stated that at the current growth rate the population would almost double in the next 15 years. Forty-five per cent of the population was 15 years of age or younger, and such growth would require not only the immediate expansion of the Territory's health and education systems, but also an expanding economic base which would provide employment opportunities for its young workers.

E. EDUCATIONAL ADVANCEMENT

1. Outline of conditions

General

491. The educational framework for the Trust Territory is defined in Public Law 3C-36 of 10 October 1969. According to this law, the purpose of education in the Territory is, inter alia, to develop the human resources of Micronesia in order to prepare the people for self-government and to provide them with skills which will be required in the development of the Territory.
492. The educational framework for the Northern Mariana Islands is set forth in the Executive Branch Organization Act of 1978. The Act provides for a Department of Education to be headed by a Superintendent of Education. It also provides for a Board of Education which would be a policy-making body of the Department of Education. The educational policies defined in Title 41 of the Trust Territory Code continued to be applicable for the operation of the educational programmes of the Northern Mariana Islands that were financed from federal project grants through the Trust Territory.
493. Boards of education have been established at the territorial and district levels in accordance with Public Law 3C-36. The Micronesian Board of Education, appointed by the High Commissioner with the advice and consent of the Congress of Micronesia, is composed of one Micronesian member from each of the six districts, plus the Director of Education, who is a non-voting member.
494. Under the provisions of the United States Vocational Education Act and the Manpower Development and Training Act, as amended, a Trust Territory Manpower Advisory Council was established in 1969, consisting of 11 Micronesians and 1 expatriate. The Council advises the High Commissioner, through the Director of Education, on manpower training needs for all of Micronesia.
495. An advisory council established under provisions of the United States Elementary and Secondary Education Act sets priorities in education, reviews existing programmes and approves new ones. A student assistance committee, established by the Micronesian Board of Education in 1975, reviews applications for scholarships in higher education.
496. In accordance with Public Law 3C-36, non-public schools may be established in the Trust Territory. They are required to submit the same reports concerning attendance, enrolment and curricula as those submitted by public schools to the Director of Education.
497. Under the provisions of the law, attendance at public and non-public schools is required of all children between the ages of 6 and 14 years, or until graduation from elementary school. Free education is provided in elementary and secondary public schools.
498. At its forty-fifth session, the Trusteeship Council reaffirmed its satisfaction with the excellent record of the Administering Authority in the general field of education, in particular the universal instruction at the primary level and the high rate of secondary school attendance, as well as the increasing number of post-graduate students in the Trust Territory. It welcomed the fact that

students in the Trust Territory could obtain grants and loans for higher education from the Government of the United States, as well as from other Governments and international institutions.

499. The current annual report states that there is a continuing increase in the number of students going abroad for post-secondary education. In 1977/78, over 3,000 Micronesian students were attending institutions of higher learning abroad. Micronesian students, qualified and admitted to post-secondary institutions in the United States, can obtain loans and grants from the United States Government. The amounts of such grants have recently increased, and 1,151 grants and loans were made to Micronesians pursuing post-secondary studies abroad through funds made available by the Trust Territory Government, the Congress of Micronesia and various federal programmes of the United States Government. A further 1,500 Micronesians who pursued their studies in colleges and universities abroad, principally in the United States, were supported by private sources or have received direct aid through United States student assistance programmes.

500. The annual report states that, during the period under review, a Board of Regents was chosen for the College of Micronesia and its first Chancellor was selected from more than 100 applicants. The College, under its Board of Regents, will operate as an entity independent of the executive, legislative and judicial branches of the Trust Territory Government. The various schools of the College will place strong emphasis on vocational studies. Sixteen of the major programmes to be offered by the College will prepare students for careers in trades, as well as in the social and business fields.

501. In 1978, the Community College of Micronesia was granted full accreditation by the Western States Association of Junior and Community Colleges. The Micronesian Occupational Center had been granted accreditation by the Western Association of Schools and Colleges of the United States in 1977. The Community College's School of Nursing has begun its accreditation process.

502. According to the current annual report, in 1978 the Micronesian Board of Education requested the Department of Education to prepare an over-all report on education in the Territory from an historical perspective, with special emphasis on educational development over the past 10 years. In its report, the Department states, inter alia, that, although no one would deny that much remained to be done for the development of Micronesia and of its citizens in education as in all other fields, it would equally be hard to deny the fact that much had been done, and was being done, to further the development of individual Micronesians and of Micronesia as a whole.

Primary and secondary education

503. According to the annual report of the Administering Authority, there were 228 public and 20 non-public schools in the Territory in 1978, including the Northern Mariana Islands. Pupils enrolled in public and non-public schools numbered 31,257, of whom 28,026 were attending public elementary schools.

504. The teaching staff in public elementary schools consisted of 1,309 Micronesian teachers and 23 non-Micronesian teachers. The teaching staff in non-public elementary schools consisted of 126 Micronesian teachers and 44 non-Micronesian teachers.

505. Secondary education was provided in 18 public and 12 non-public schools. There were four public schools in the Northern Mariana Islands, six in Truk, three in Yap, two in the Marshall Islands, and one each in Palau, Ponape and Kosrae. Of the non-public schools, there were five in Palau, four in the Marshall Islands and one each in the Northern Mariana Islands, Ponape and Truk.

506. Secondary school enrolment in 1978 totalled 6,287 in public schools and 1,695 in non-public schools, compared with 6,145 and 1,562 respectively in the previous year. The secondary school staff consisted of 566 teachers (409 in public schools and 157 in non-public schools). Of the total number of secondary school teachers, 367 were Micronesians and 199 were non-Micronesians.

507. According to the current annual report, the public elementary schools in the Marshall and Caroline Islands enrolled 195 new students in 1978. Non-public elementary schools reported an increase of 129 students in the same period. Public secondary schools showed a decrease of 40 students in 1978, while non-public secondary schools reported an increase of 99 students.

508. At its forty-fifth session, the Trusteeship Council noted with interest the reported progress, in terms of cultural relevance, in raising the level of instruction in both primary and secondary schools, through the introduction of bilingual materials based on orthographically consistent vernacular languages. The Council welcomed the planned completion of a high school complex in Kosrae in 1978/79.

509. The current annual report states that the development of bilingual curriculum materials is in progress and a number of teachers are pursuing advanced studies in language programmes at the University of Hawaii. English and vernacular dictionaries in most of the languages have been published and are currently in use, with the exception of Trukese and Ponapean dictionaries, which are scheduled to be published by the end of 1979. The high school complex in Kosrae has been completed and the facilities are in full use.

Higher education

510. According to the current annual report, Public Law 7-29, establishing the College of Micronesia under a Board of Regents, was enacted in 1977. That law integrated the educational institutions formerly known as the Community College of Micronesia (including the School of Nursing) and the Micronesian Occupational Center.

511. The College of Micronesia, located at Kolonia Town, Ponape, offers a two-year programme leading to an associate of science degree in elementary education. In 1977/78, the College had a co-educational enrolment of 166 students, of whom 129 were studying at the campus at Kolonia and 37 were at the nursing school on Saipan (which is affiliated with the College). There were also 168 students enrolled at the extension centres in the Marshall Islands, Palau, Ponape, Truk and Yap districts. The number of students who completed their studies at the College in 1977/78 was 83.

512. The Northern Mariana Islands Community College was established in 1976. The College, which is a two-year institution, is administered by the Department of Education of the Northern Mariana Islands. The Community College, through the

Community Career College of the University of Guam, grants associate of arts degrees in elementary, secondary and special education.

513. In 1977/78, Micronesian students attending institutions of higher learning abroad numbered 1,151. Of this number, 256 were pursuing studies in business administration, 212 were following courses in the field of education, 155 were pursuing studies in the field of medicine and health care and 105 were studying political and social sciences. An estimated number of 1,500 students were pursuing their studies abroad with private support through federal assistance programmes (see also para. 499 above).

514. Students from the Northern Mariana Islands attending institutions of higher learning abroad in 1977/78 numbered 394. Of these, 117 were pursuing studies in business administration, 139 were following studies in public service, 27 were pursuing studies in health care and 36 were taking courses in communications.

515. At its forty-fifth session, the Trusteeship Council noted with interest that the College of Micronesia had been established, integrating the institutions formerly known as the Community College of Micronesia (including the School of Nursing) and the Micronesian Occupational Center. The Council noted with satisfaction that the Micronesian Occupational Center had been granted full accreditation by the Western Association of Schools and Colleges of the United States and that the Community College of Micronesia hoped for full accreditation in June 1978. The Council noted that 1,468 Micronesian students were attending institutions of higher learning abroad in 1976/77.

Vocational education

516. The Micronesian Occupational College (formerly known as the Micronesian Occupational Center), located on Koror in Palau District, is a boarding school offering vocational and technical training to students from all districts of the Territory. In all courses, students may be enrolled in secondary, post-secondary and adult classes, depending on previous education and individual programme objectives. The College also provides each district in the Territory with a vocational education supervisor who co-ordinates pre-vocational, vocational and industrial arts programmes in the district.

517. In 1977/78, the Micronesian Occupational College had an enrolment of 247 students. During the year, 102 students completed certificate or diploma courses, which brought to 962 the number of graduates of the College since its inception.

518. Vocational courses are also offered in all public secondary schools. Most secondary schools also offer an industrial arts programme.

519. The College of Micronesia, in co-operation with the Ponape Agriculture and Trade School, offers teachers a two-year programme leading to an associate of science degree in secondary vocational education.

520. The current annual report states that vocational education in the Northern Mariana Islands emphasizes the practical use of skills and theory. A wide range of work is offered on campus and in the community.

521. The annual report further states that a five-year plan for vocational

education in the Northern Mariana Islands was formulated and approved and that the programme is now receiving \$US 200,000 annually. The funds are being used to carry out existing vocational programmes and to improve as well as expand programmes in construction, agriculture and technical electronics.

522. Concerned at the failure of many young people to find work commensurate with their educational qualifications, the Trusteeship Council, at its forty-fifth session, reiterated the view that the educational system of the Trust Territory should develop greater emphasis on the disciplines that would best prepare students for life in Micronesian society, with special reference to technical and vocational training.

523. The current annual report states that continued efforts are being made to strengthen vocational training programmes in high schools throughout the Territory in the areas of agriculture, mechanics, boatbuilding and construction.

524. The co-operative programme conducted by the University of Hawaii and the Micronesian Occupational College in Palau for teachers of vocational education was held again during the summer of 1978. In addition, the University of Hawaii offered transfer credit courses in English and science and the Micronesian Occupational College offered credit courses in food services, basic electronics, telephone system maintenance and repair and island jewelry-making. Sixty-five vocational education teachers from all districts of the Territory participated in the programme.

525. Regular vocational education programmes in grades 9 to 12 reached approximately 5,250 students. Two pilot projects, one in Yap District and the other in the Marshall Islands District, were also conducted in traditional island skills related to marine resources activities.

526. The Northern Mariana Islands, according to the current annual report, has implemented vocational education programmes in grades 8 and 9. The programme in grades 10 to 12 is structured to meet the 1,081-hour requirements of the Vocational Education Act of 1968. In 1978, the number of students enrolled in the programme totalled 1,412, an increase of 430 over the previous period. Of these, about 150 graduate annually.

527. A programme in vocational training under the auspices of the Trust Territory Government, the CETA programme and the United States Navy began operating in 1978. The Micronesian Trades Apprenticeship Program administered by the Consolidated Industrial Relations Office of the United States Naval Station on Guam has accepted 40 Micronesians for an intensified two-to-four-year vocational programme.

528. In the Northern Mariana Islands, 20 vocational education classes are being offered in a number of different fields. In addition to the regular classes, co-operative education was incorporated in the vocational study programme which offers on-the-job training to students in many fields.

529. According to the current annual report, 21 persons serve full time in the Vocational Rehabilitation Program in every district except Kosrae, where it is scheduled to begin in 1979. Currently, some 800 persons, over 80 per cent of whom are severely disabled, are served by the programme. During 1978, the programme completed the rehabilitation of 79 persons, almost all of whom are currently gainfully employed.

530. In its report, the 1979 Visiting Mission notes that the pace of economic expansion in the Marshall Islands is such that there are still too few openings in the productive sector. The educational authorities are aware of the problem and an effort has been made to provide more useful training by developing more practical and technical curricula.

Teaching training

531. According to the current annual report, in addition to the students enrolled at the College of Micronesia, 212 students attending institutions of higher learning abroad are reported to be pursuing studies in the field of education.

532. A one-year programme for persons with previous teaching experience is offered by the College of Micronesia extension centres in all districts except the Northern Mariana Islands. The latter has its own series of college-level courses. During the summer of 1978, college-level courses were also offered in all districts for in-service teachers.

533. At its forty-fifth session, the Trusteeship Council welcomed the statement by the High Commissioner concerning promulgation of regulations for the certification of teachers by the Micronesian Board of Education and the requirement that within five years all teachers in the Territory would have acquired a two-year college degree. The Council welcomed the consistent pattern of replacing expatriate teachers and administrators with returning Micronesian college graduates and the continuing efforts to replace with qualified Micronesians those few expatriates still holding posts in secondary schools.

534. The current annual report states that various programmes have been instituted to upgrade qualifications of teachers for certification. The College of Micronesia offers courses both at its main campus and at extension centres in the districts for those planning to become teachers. It also offers courses for those who specialize in the teaching of handicapped children. The Micronesian Occupational College, in co-operation with the University of Hawaii, offers summer teacher-training courses in academic vocational fields. A number of teachers are sent to the University of Hawaii for training in language arts and curriculum writing.

535. According to the annual report, in-service teacher education in the Northern Mariana Islands is offered primarily by the Department of Education in co-operation with the University of Guam, San Jose State, the University of California, the University of Hawaii and the College of Micronesia. Several teachers and personnel of the Department of Education attended institutions of higher education in Guam, Hawaii and the United States in 1978.

Dissemination of information on the United Nations

536. The current annual report of the Administering Authority states that information on the activities of the United Nations is widely disseminated in the Trust Territory. As in the preceding years, the proceedings of the Trusteeship Council at its session in 1978 were broadcast on all Trust Territory radio stations. A summary of the statements made during the Trusteeship Council session by the High Commissioner of the Trust Territory and the special advisers from the

Congress of Micronesia was reprinted and distributed throughout the Trust Territory. The UN Monthly Chronicle and the UNESCO Courier are among the publications supplied to all school libraries and to public libraries in the Trust Territory.

537. The annual report further states that United Nations radio programmes, including "Scope" and "This Week at the United Nations" as well as United Nations Day messages, are broadcast on all district radio stations. The Trust Territory film library is the depository of some 50 United Nations films, which are made available to all districts through the Trust Territory's Department of Education.

538. At its forty-fifth session, the Trusteeship Council welcomed the wide dissemination of information on the activities of the United Nations and on the International Trusteeship System in the Trust Territory.

539. The current annual report states that information on the United Nations and the activities of the Trusteeship Council will continue to be disseminated in the Territory in as wide a manner as possible.

2. Discussion in the Council and opinions expressed

General

540. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that during 1978 the Department of Education had undertaken a major new educational work to develop and standardize the Micronesian Achievement Test Series, covering mathematics, English reading and English listening comprehension for elementary grades 3 through 7. The tests had been developed within the Territory by specialists in English and mathematics from all districts of the Territory under the supervision of the Federal Program Title I Co-ordinator and by personnel of the Trust Territory Department of Education, with the assistance of testing experts from the United States and Australia.

Vocational education

541. At the forty-sixth session of the Trusteeship Council, Mr. Sablan, Deputy High Commissioner and Special Representative, stated that specialized education programmes to meet the needs of Micronesian children had been developed within the Territory over the past several years.

542. The Special Representative further stated that a Young Adult Conservation Corps had been established in the Trust Territory, employing over 300 young men and women, to build, maintain and improve public facilities. A total of 67 projects valued at more than \$US 635,000 had been completed. The Summer Youth Conservation Corps had employed 174 Corps members on 14 public works projects valued at \$US 70,000.

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

1. Outline of conditions

543. At its forty-fifth session, the Trusteeship Council reaffirmed 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.

544. The Council recalled its conviction that the political unity of the Caroline Islands and the Marshall Islands should if possible be maintained, although it recognized that it was ultimately for the Micronesians themselves to decide upon their future political relations with each other. It noted with satisfaction that the Congress of Micronesia had decided in favour of unity within the framework of a constitution of the Federated States of Micronesia. It noted, however, that the districts of Palau and the Marshall Islands had expressed the wish that the question of their political status should be negotiated separately with the United States.

545. It noted with satisfaction that the Administering Authority considered that it would be in the interests of the people of Micronesia to maintain some form of unity. It noted that the Administering Authority nevertheless felt that it was for the Micronesians to decide upon the political unity and governmental structures of the Territory. The Council hoped that the Administering Authority would continue its efforts to establish mutually beneficial relations between the districts in all fields.

546. It expressed the hope that the Micronesians would co-operate with the Administering Authority in maintaining and developing such relations between the districts. In that connexion, the Council hoped that the Micronesians would take all necessary steps to establish, after the termination of the Trusteeship Agreement, the all-Micronesian entity which they had agreed upon at Molokai, Hawaii, in October 1977.

547. The Council noted with satisfaction that the negotiations on the Territory's future political status had officially been resumed in October 1977 at Molokai and that they had been followed by two further meetings, at San Diego, California, in January 1978 and at Hilo in April 1978. It noted that for the first time representatives of the Palau and Marshall Islands Political Status Commissions had officially been invited to take part in those negotiations.

548. It further noted that the various parties appeared to have recognized at Hilo that the solution to the problem of Micronesian representation in those negotiations would depend on the results of the constitutional referendum of 12 July 1978.

549. As in 1977, the Council did not wish to make precise recommendations on the future political status of the Territory. It reiterated its view that, among all the options open to the inhabitants, including independence, the status of free association, if endorsed by the population, would not be inconsistent with the aims of the Trusteeship Agreement.

550. It noted with interest the statement of principles for free association, which had been approved on 9 April 1978 at Hilo by representatives of the United States and the three Micronesian commissions. The Council pointed out that at that stage what was involved was guidelines, on the basis of which a final agreement was to be concluded. It noted that it would be possible for the status of free association established on the basis of those principles to be ended unilaterally. The Council noted that any agreement reached on free association would be put to a plebiscite which, according to the principles agreed upon at Hilo, the United Nations would be invited to observe.

551. The Council reiterated its opinion that 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.

552. The Council accepted with pleasure the invitation of the Administering Authority to observe the referendum on the draft constitution for the Federated States of Micronesia to be held on 12 July 1978. It hoped that the presence of the Visiting Mission would prevent irregularities and lead to broad participation by the voters.

553. The Council noted with satisfaction the undertaking by the Administering Authority to respect the results of the constitutional referendum of 12 July 1978, whatever the outcome, and to co-operate with the appropriate Micronesian authorities, before the end of the mandate, in implementing all provisions of the constitution consistent with the Trusteeship Agreement.

554. The Council noted that the Administering Authority and the Congress of Micronesia had stated that they had overcome their differences with regard to the compatibility of the constitution with the projected status of free association. It noted with satisfaction that if a status of free association was approved by the people of Micronesia it would take effect upon the termination of the Trusteeship Agreement.

555. The Council welcomed the intention expressed by the Administering Authority to seek agreement with the parties concerned, in strict compliance with the relevant provisions of the Charter, on terminating the Trusteeship Agreement by 1981 at the latest.

556. The Council noted with satisfaction that on 23 October 1977 the Government of the United States had approved the constitution of the Commonwealth of the Northern Mariana Islands and that the authorities elected in December 1977 had taken office on 9 January 1978. It also noted that some parts of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America had taken effect on 9 January 1978 when the constitution entered into force. It noted with satisfaction that the Administering Authority still intended to terminate the Trusteeship Agreement simultaneously for the Northern Mariana Islands and for the rest of the Territory.

557. The Council noted with satisfaction that the Administering Authority hoped to maintain social, economic and cultural co-operation between the Northern Mariana Islands and the rest of the Territory. It urged the Administering Authority and the Government of the Northern Mariana Islands to pursue that objective.

558. The current annual report of the Administering Authority states that, as the legal authority and the sole judge of the referendum of 12 July 1978 on the

Micronesian constitution and the results thereof, the Congress of Micronesia established in September 1978 a Special Joint Committee on Referendum Review to examine the results of the referendum on the constitution and make recommendations to it. The Special Joint Committee sent representatives to Palau District in September/October 1978, to investigate alleged irregularities in that district. Subsequently, upon the recommendation of the Special Joint Committee, the Congress certified the results of the referendum on 26 October 1978, in which Kosrae, Ponape, Truk and Yap approved the constitution while the Marshall Islands and Palau rejected it.

559. In its report, 33/ the 1978 Visiting Mission concludes that the referendum was well organized by the Trust Territory Constitutional Referendum Board in Saipan and by the special district referendum commissioners and boards. Many people, in all the districts, complained to the Mission that the referendum was being held too early and that more time should have been allowed for campaigning and explanation. Bearing in mind that the draft constitution had been drawn up some two and a half years earlier, that the date for the referendum had been set 12 months in advance and that the Education for Self-Government (ESG) programme was devoted entirely to explaining the constitution and referendum procedures for the four months preceding the referendum, the Mission did not share that view, which it took to be another manifestation of the reluctance to face decisions about Micronesia's future.

560. With regard to the complaints of the proponents of the "no" vote that the wording of the ballot was prejudicial, the Mission concluded that it seemed as fair as any which could be devised.

561. The Mission saw no sign of improper intervention in the political campaign by the executive branch of the Trust Territory Government. Indeed, the Administration sought to maintain a position of complete impartiality, and the Mission believes that it succeeded in doing so.

562. The Mission received several complaints about the financing of the campaign. In its view, there appears to be little doubt that more money was available to one side than to the other and to different sides in different districts. In general, however, those who wished to make their views known found the means to do so. The major medium of communication in all districts was the Government radio, to which all who wished had free access. If irregularities are shown to have occurred, the Mission hopes that appropriate action will be taken by the Trust Territory authorities, but it has no reason to believe that the availability or lack of funds was a determining factor in the outcome of the referendum.

563. Nevertheless, since campaign finances were the subject of much suspicion, recrimination and complaint, the Mission suggests that the Government of Micronesia give consideration to setting fixed limits for campaign expenditures in future elections or referenda.

564. Regarding the ESG programme, in general, the Mission believes that the programme contributed valuably to people's awareness of the importance of the referendum and the broad outlines of the constitution.

33/ Ibid., paras. 280-299.

565. The questions put to the Mission at meetings in all districts demonstrated that the average voters, including the more educated people, were more concerned about the impending changes in Micronesia's status as implied by the referendum than about the actual provisions of the constitution. The Mission explained to the public at numerous meetings that the present referendum concerned only the constitution and that the people of Micronesia would have a later opportunity to decide on their status in the world community after termination of the Trusteeship Agreement. The Mission therefore considers it important that a plebiscite on future political status should be held, as planned, before any final decision is taken concerning arrangements to end the Trusteeship Agreement, and that such a plebiscite should be observed by the United Nations.

566. The annual report further states that the Administering Authority is now undertaking, in consultation with the Governments of the Federated States of Micronesia (Kosrae, Ponape, Truk and Yap), the Marshall Islands and Palau, the implementation of the decision taken by the people in the referendum of 12 July 1978. To that end, separate legislative authority was established for each of the three Governments on 1 October 1978 pursuant to Secretarial Order No. 3027 of 29 September 1978.

567. On 21 December 1978, the Marshall Islands Constitutional Convention adopted a draft constitution which was subsequently approved by the people in a referendum held on 1 March 1979. The Constitutional Convention of Palau adopted a draft constitution on 2 April 1979 and a referendum on that constitution was scheduled to be held on 9 July 1979.

568. In its report, 34/ the 1979 Visiting Mission states that on 1 March 1979 the people of the Marshall Islands adopted a new constitution through a free, democratic referendum by a substantial majority. During the electoral campaign, which was free from any incident or act of violence, the party in favour of and the party opposed to the draft constitution were able to defend their points of view before the voters. Despite the short time available, the organizers of the referendum did their utmost to enable all the voters to participate; their efforts were successful. The poll was secret and no pressure was exerted on the voters. Observers from both sides were present during the electoral process and the counting of votes.

569. The Mission observes that the report submitted by the Election Commissioner to the Marshall Islands Nitijela has not been contested and the Nitijela has endorsed the results of the referendum.

570. The Mission hopes that the new political institutions in the Marshall Islands will help to strengthen the unity of the district and promote its economic and social development. At the same time, it also hopes that determined and resolute efforts will be made by the people of the Marshall Islands to maintain and strengthen their links with the rest of the Trust Territory.

571. On 25 April 1979, the Secretary of the Interior of the United States issued Secretarial Order No. 3039, entitled "Recognition of Governmental Entities under Locally Ratified Constitutions in the Trust Territory of the Pacific Islands". 35/

34/ Ibid., Supplement No. 3 (T/1805), paras. 207-231.

35/ For the text of the Order, see document T/1806, annex.

The Order provides the maximum permissible degree of self-government for the Federated States of Micronesia, the Marshall Islands and Palau, pursuant to their respective constitutions when ratified, pending termination of the Trusteeship Agreement.

572. According to the Secretarial Order, subject to the limitations contained in the Order and in existing treaties, laws and regulations of the United States generally applicable in the Trust Territory, the executive, legislative, and judicial functions of the Government of the Trust Territory are delegated to the three Governments. The following functions are however retained by the United States:

(a) The High Commissioner of the Trust Territory would continue to exercise all authority necessary to carry out the obligations and responsibilities of the United States under the Trusteeship Agreement, which would include:

- (i) Submission to the Congress of the United States of budgetary requests from the three Micronesian Governments;
- (ii) Allocation of financial grants to the three Governments;
- (iii) Auditing and accounting;
- (iv) Transmittal of grant-in-aid requests from the three Governments to the appropriate federal agencies of the United States;
- (v) Transfer, on an equitable basis, of all real and personal property currently held by the Government of the Trust Territory to the Federated States of Micronesia or its respective states, the Marshall Islands and Palau;

(b) Secretarial Order No. 2969, as amended, dealing with the transfer of Trust Territory public lands to district control would remain in effect, but the transfers contemplated by that Order would be completed by the three new governments on or before 1 June 1979. In those instances where the district legislature concerned had not designated an entity to receive public lands under the provisions of Secretarial Order No. 2969, such land would be transferred to the State or district where it is located;

(c) All contracts, lease agreements, easements, permits, licences and other privileges and obligations granted, entered into or obtained by the Government of the Trust Territory prior to the effective date of Secretarial Order No. 3039, would remain in force until their legal termination, unless otherwise agreed to in writing by all parties;

(d) Communications and relationships with agencies of the United States Government and with foreign Governments and organizations would be through the High Commissioner and the Secretary of the Interior, except in those specific cases where approved by the Secretary of the Interior. Communications and relationships between Micronesians and the President's Personal Representative for Micronesian Status Negotiations would not be affected by Order No. 3039;

(e) The High Commissioner would continue to have the authority and responsibility for the operation and maintenance of telecommunications within the Trust Territory;

(f) The High Commissioner would have the authority to hire the necessary professional and administrative staff for his office.

573. Secretarial Order No. 3039 also provides that all laws of each of the three Governments would be submitted to the High Commissioner within 10 days after their approval by the Chief Executive concerned. The High Commissioner was empowered to suspend any law or part thereof if he concludes it to be inconsistent with existing secretarial orders, the Trusteeship Agreement, treaties or laws and regulations of the United States applicable in the Trust Territory or the Bill of Rights set forth in the Trust Territory Code.

574. The present community and district courts and the trial and appellate divisions of the Trust Territory High Court would continue to exercise their functions until the three Governments had established functioning courts pursuant to the terms of their respective constitutions.

575. As the functions of the community courts, the district courts and the Trial Division of the High Court had been phased out and transferred to the local courts, the Appellate Division of the High Court would retain jurisdiction by writ of certiorari to entertain appeals from the courts of last resort of each of the three Governments. The ruling of the High Court of the Trust Territory upon all appeals would be final and binding.

576. The Secretarial Order states that the social security laws of the Trust Territory would remain in effect until the termination of the Trusteeship Agreement.

577. With regard to the negotiations concerning the future political status of the Trust Territory, the current annual report states that representatives of the Administering Authority, the Federated States of Micronesia, the Marshall Islands and Palau met in Saipan from 23 September to 2 October 1978 and from 16 to 24 January 1979. The participants are drafting the full text of a single compact of free association and subsidiary agreements to be signed by the United States and each of the three Micronesian Governments.

578. The annual report points out that the Administering Authority recognizes its continuing responsibility for ensuring that the people of Micronesia are informed of the future political options open to them as fully and as objectively as possible. It intends, in consultation with the Micronesian Governments, to take appropriate steps towards providing such information through the ESG programme and other suitable means. In this connexion, the annual report states that the United Nations Visiting Mission to observe the referendum in the Trust Territory of the Pacific Islands, 1978, on the Micronesian constitution, witnessed the political education programmes conducted by a number of parties in preparation for that referendum, including ESG programmes carried out at the headquarters and district levels. The Mission also observed political campaigns financed by various legislative bodies.

579. The current annual report states that while the United States Government feels bound by the results of the constitutional referendum held on 12 July 1978, it will continue to encourage the closest possible co-operation among the three Micronesian Governments during their transition towards self-government and in the post-trusteeship period. The Administering Authority shares the view of the

Trusteeship Council that co-operation between the Northern Mariana Islands and the rest of the Trust Territory should be maintained and it will facilitate the attainment of this objective to the extent possible.

580. The Administering Authority reaffirms its intention to seek agreement with the parties concerned to terminate the Trusteeship Agreement by 1981 simultaneously for all areas of the Trust Territory, including the Northern Mariana Islands.

2. Discussion in the Council and opinions expressed

581. At the forty-sixth session of the Trusteeship Council, Senator Olter, Special Adviser, stated that, despite agreement among the Governments of the Federated States of Micronesia, the Marshall Islands and Palau to retain and share the authority of the former Congress of Micronesia over the executive branch of the Trust Territory in areas such as advice and consent, personnel appointments, administrative organization and salary schedules, the Administering Authority had arrogated those powers back to itself. With little advance warning to the leadership of the Federated States of Micronesia, the legislative authority of the Congress of Micronesia had been hastily divided among the jurisdictions of the Federated States, Palau and the Marshall Islands by Secretarial Order No. 3027.

582. The representative of the United States said that one of the provisions of the statement of principles signed at Hilo 36/ had been that the ultimate free association agreement between the United States and each of the freely associated states should be made with a constitutional government formed by each of those entities. It was therefore incumbent upon each of the Micronesian entities to create a constitution and have it approved by popular referendum.

583. The United States Government believed that there must be some degree of co-ordination between its actions and the process whereby a constitution was framed to ensure its compatibility with the nature of the relationship currently under negotiation.

584. In the particular case of Palau, in the Act establishing the Constitutional Convention of Palau, the Legislature had directed the Convention to create a constitution taking into account the relationship of free association. Accordingly, when the drafting of the constitution was about mid-way, the Palau Political Status Commission had invited the United States Government to offer its comments. The United States Government had transmitted its comments in respect of the document's compatibility with free association to the Commission. As a result, certain problems had been eliminated by changes in the draft, although other problems still remained, which made it doubtful whether that constitution could be a satisfactory basis for a relationship of free association. Accordingly, after the constitution containing a number of those provisions had been signed by most of the delegates to the Constitutional Convention, the Government of the United States had presented its view that the constitution raised a number of problems which would render free association impossible should it be adopted in that form.

36/ See Official Records of the Trusteeship Council, Forty-fifth Session, Sessional Fascicle, annexes, document T/1789, enclosure, para. 1.

585. The representative of the United States further said that, at present, the work of the Palau Legislature was impeded by that body's inability to assemble a quorum, a situation which had left pending the entire question of how the Palauan people wished to proceed. His Government had stated firmly its position that the question of the adoption of the constitution, with all its ramifications, was one for the people of Palau alone to determine. The United States Government felt that it was necessary for them to understand its attitude with regard to the possible consequences of the adoption of the constitution in its present form, and it had made those views known to them.

586. Senator Olter, Special Adviser, recalled a statement made in 1978 by the Personal Representative of the President of the United States for Micronesian Status Negotiations to the effect that an interagency task force on transition would be established to co-ordinate transition policy. The Special Adviser stated that the task force had not been created to date.

587. Mr. Sablan, Deputy High Commissioner and Special Representative, stated that the Administering Authority was attempting to transfer as quickly as was practicable all appropriate functions, programmes and administrative authority to the Governments of the Federated States of Micronesia, the Marshall Islands and Palau. To that end, negotiations were continuing between the High Commissioner and representatives of the new Governments.

588. Senator Olter, Special Adviser, said that at the negotiations held in Saipan in January 1979 between representatives of Micronesia and the United States on the Territory's future political status, agreement had been reached on matters dealing with foreign affairs, including jurisdiction in marine resources. It seemed fair to expect that, if agreement could be reached on the two remaining major points of contention, a complete draft compact would emerge in a reasonable period of time. The first of those outstanding issues related to the absolute requirement of the Micronesian delegation that, notwithstanding the complete authority given to the United States for security and defence in Micronesia, there must be provisions in the compact that gave Micronesians effective recourse against possible unreasonable exercise of that authority in ways injurious to Micronesian interests in internal or foreign affairs. One of the most crucial of such interests concerned the environmental protection of their lands and waters.

589. The Special Adviser pointed out that the issue relating to the financial support that the Administering Authority was willing to provide to Micronesia separated the negotiating parties widely. The Commission on Future Political Status and Transition of the Federated States had prepared a report on the economic needs of the Federated States over a 15-year period, which it believed presented the minimum external assistance required to build a viable economy. The Administering Authority had indicated that it would not be in a position to meet those identified minimum needs. However, the Micronesians were informed that the Administering Authority was preparing to make a second offer of financial support and were awaiting that offer with hope.

590. Mr. DeBrum, Special Adviser, stated that as part of the relationship of free association the Administering Authority had indicated a willingness to assist the Marshall Islands Government to reach its development goal, which was the transformation of their economy from one of substantial dependence on outside aid to one that was autonomous and self-sustaining. However, it had not yet offered a level of economic assistance that the Marshall Islanders considered even marginally

adequate to meet their needs. The United States was currently re-evaluating its economic assistance proposals. The Marshall Islanders hoped that it would present an offer of assistance that was truly responsive to their needs and consonant with the trust responsibilities solemnly undertaken by the United States.

591. The representative of the United States said that his Government felt that the economic assistance that it could provide under the free association agreement which was being negotiated with each of the three Governments, together with the efforts of the peoples of each of those areas, would be sufficient to assure their economic future during the transitional period contemplated for the 15 years after the termination of the Trusteeship Agreement. His Government was hopeful that each of those Governments would enter into fruitful economic relations with other countries to improve their over-all economic prospects.

592. Mr. DeBrum, Special Adviser, stated that the other unresolved issue in the negotiations was one that the Marshall Islanders considered to be even more vital to the creation of a workable relationship of free association. Their concern stemmed from the defence authority that their Government would give to the United States under free association and from the manner in which that authority had been exercised during the trusteeship period. The Trusteeship Council was aware of the tragic results of the nuclear-weapons tests in the Marshall Islands. The Government of the Marshall Islands could not enter into an agreement with the United States that did not provide it with an adequate mechanism to stop any future actions before they produced further tragic and irreversible results for which there could be no compensation.

593. The Special Adviser pointed out that under free association the United States had a guaranteed right to retain its defence authority for 15 years. Under the proposed terms of the compact, unlike a sovereign independent nation entering into a defence treaty with the United States, the Marshall Islands could not terminate the defence authority within the 15-year period. In such a relationship, access to United States courts to enforce United States laws was not only a completely reasonable request but was also critical to the ability of the Marshall Islanders to protect their land and people from potential destruction by unlawful action taken in the name of defence and security.

594. According to the Special Adviser, the Administering Authority had given the following six reasons for its opposition to allowing the Marshall Islands access to United States courts: (a) given the length of time required by United States courts to act on environmental matters, the possibility existed that Micronesians operating under motivations other than concern for the environment might utilize any court access mechanism to force prolonged delays of proposed United States actions in the defence field; (b) application of United States environmental legislation to the Micronesian context, for which it had not been designed, could lead to expensive and cumbersome substantive and procedural requirements not in the true interests of either Micronesia or the United States; (c) third countries might perceive United States Government environmental undertakings concerning Micronesia as constituting a precedent for United States governmental actions elsewhere; (d) to hold the United States to unreasonable environmental standards while not applying the same standards to third countries would amount to unfair discrimination against the United States; (e) to hold the United States to unreasonable environmental standards while the Micronesian Governments themselves had not undertaken to uphold such standards would expose the United States Government to criticism from United States environmentalists; and (f) under the

compact, the legal status of Micronesia would change, the previous basis for Micronesian court access would cease and it would no longer be appropriate for Micronesians to have the same access to courts as United States citizens.

595. In response, the Special Adviser said that they had discussed with representatives of the Administering Authority the formulation of a compact provision so that the availability of court access would not create an unacceptable risk of excessive litigation. The language of the compact which they had proposed balanced their need for judicial access with the United States interest in avoiding prolonged delays of its operations. The United States had, in compact provisions already offered, agreed to adhere to standards applicable to environmental protection equivalent to those established by United States law. The language of the proposed compact imposed no additional standards of conduct on the Administering Authority, but merely added some meagre flesh to the commitments of the United States and added the availability of judicial scrutiny to ensure compliance. As to the additional procedural burdens, the United States would only be obligated to follow the procedures which the United States Congress viewed as necessary to ensure protection of environmental interests.

596. According to the Special Adviser, it was the essence of the compact of free association to create a special relationship, distinguishable from independence, in the intergovernmental relations between the United States and the three new Governments of the Trust Territory. It did not create a precedent which the United States need feel obligated to follow in its relationships with independent entities.

597. The Special Adviser reiterated that the environmental standards under discussion were standards of environmental protection duly adopted by the United States Congress and accepted by the United States Government in the draft compact. The compact would provide that only the United States might have a military presence in the Territory, unless the United States invited others to use its facilities. Consequently, there could be no third countries against whose opportunities the burdens imposed on the United States by the environmental laws could be measured as discriminatory.

598. The Special Adviser pointed out that the proposed provisions did not attempt to provide to citizens of Micronesia the same access to courts as was available to United States citizens. Access to courts to enforce the specifically applicable environmental laws would be available only to the Government of the Marshall Islands.

599. The Special Adviser further stated that another major unresolved issue in the status negotiations was how to take proper account of the legacy of nuclear contamination and disease from weapons tests conducted by the United States in the Marshall Islands between 1947 and 1958. Recently there had been indications that that problem was far more serious than had originally been believed. Even more disturbing, there were indications that certain agencies of the United States Government were intent on suppressing critical information on that subject until after the political status negotiations had been completed. The Marshall Islands could not accept that position and would seek the assistance of the Congress of the United States in protecting them against that intolerable approach to the negotiations.

600. Referring to the resolution of disputes which might arise between the United States and each of the Micronesian entities concerning non-defence matters under the

proposed compact of free association, the representative of the United States said that mechanisms had been set forth in that regard in the proposed compact and that there did not seem to be any serious disagreement as to the method set forth therein, which was arbitration. The issue of dealing with disagreements which might arise in the context of defence had proved to be a somewhat more difficult task for the negotiators.

601. According to the representative of the United States, it had been the position of the Marshall Islands Political Status Commission and of some of the other Micronesian delegations that the issue dealing with disagreements which might arise between the parties in the context of defence should ultimately be resolved in the federal courts of the United States. For various reasons, that was a concept which had not found favour within the United States Government. His Government had therefore presented a counter-proposal which was currently before the Micronesian participants for their consideration and which would involve methodologies for the formulation of agreed standards in the environmental area.

602. The representative of the United States said that substantial agreement had been reached during the negotiations in Saipan with regard to authority for foreign affairs. Under that agreement, each of the Micronesian Governments would exercise authority in the area of foreign affairs and would be able to represent itself in foreign capitals and to make such international agreements or treaties as it saw fit. The undertakings on that subject which would be incorporated in the compact of free association would involve continued consultations between the United States and each of the Micronesian Governments in the area of foreign affairs to ensure that there would be no conflict between the exercise by the Micronesian Governments of their authority in foreign affairs and the exercise by the United States Government of its responsibilities in the areas of defence and security.

603. The representative of the United States further said that, at the negotiations in Saipan in January 1979, each of the Micronesian delegations had submitted proposals for levels of United States economic assistance. The United States delegation had also submitted its proposals and the proposals had been rather far apart. However, an understanding had been reached by the delegations at Saipan that further consideration would be given to the subject with an open mind.

604. Senator Olter, Special Adviser, stated that he had concentrated on the delays in and limitations on the development of self-government imposed upon the Micronesian people by Secretarial Order No. 3039. Those were the problems he had in mind when requesting a review of the progress towards self-government that was being permitted the Micronesian people. The limitations on self-government which the Administering Authority regarded as enshrined in the Executive Order of 1962 (see para. 246 above) were not relevant to current circumstances in which constitutional governments were coming into being. The Special Adviser asked the Council's assistance in consulting with the Administering Authority to ascertain whether a change in the 1962 Executive Order might not be called for at the present time.

605. Mr. DeBrum, Special Adviser, stated that severe over-reaching constraints were still being imposed upon the constitutional Government of the Marshall Islands by the Administering Authority. Those restrictions were defended by the Administering Authority as being required to carry out its authority and responsibility under the

Trusteeship Agreement. The Marshall Islands would continue to strive for the greatest degree of self-government possible under those circumstances with a view to effecting the highest level of preparedness and confidence that could reasonably be obtained prior to the termination of the Trusteeship Agreement.

606. Mr. Silmai, Special Adviser, said that the people of Palau desired a close and enduring future relationship with the United States and that free association would nurture that relationship without obstructing Palau's legitimate and undeniable progress towards full self-government. It was a unique relationship that they were forging, and he believed that it could be uniquely beneficial to his people. The people of Palau would make the ultimate decision on free association in a plebiscite, and he was hopeful that that plebiscite would be monitored by the United Nations.

607. The Special Adviser pointed out that the major remaining issue in the negotiations was the plan by the Government of the United States for acquitting itself of its recognized obligation to assist Palau in the development of a productive economy. The people of Palau desired the termination of the trusteeship and were confident that that termination would occur as promised by 1981. However, the Administering Authority would not have fostered an even minimally self-sufficient economy by that time. It was therefore appropriate for the Administering Authority to undertake to do so in the period of free association under discussion.

608. The representative of the United States said that his Government continued to believe that the peoples of the Marshall Islands and the Caroline Islands would benefit from common links among the districts. However, as the Council had recognized, the question of political unity was clearly one to be decided by the Micronesians themselves. Those who had criticized the United States for permitting the Micronesians to make that decision might not share his Government's view that such freedom was one of the elemental requirements of democracy. He said that his Government regretted that developments did not appear to permit political unity for the present. At the same time, it hoped that the peoples of Micronesia would none the less strive to maintain and develop bonds in the economic, social and cultural spheres. Those bonds would be to the betterment of all the inhabitants of the Trust Territory.

609. The representative of the United States said that the basic predilection towards unity which had characterized the deliberations of the Trusteeship Council for many years was shared by the United States. His Government had expressed the regret with which it had witnessed the disintegration of unity within the Trust Territory. The United States was also bound by its basic approach to its relationship to the Trust Territory and its responsibilities under the Trusteeship Agreement to respect the wishes of the people. The people had spoken on that subject and the United States had undertaken to abide by their decision. At the meeting held at Molokai, Hawaii, in October 1977, the representatives of the three areas within the Trust Territory had agreed that there would be an all-Micronesian entity and that it would have only such powers as each of the six districts decided to accord to it. The Government of the United States had continued throughout the negotiations to encourage the three political status commissions to find areas in which they could act together, both for greater economy and in order to preserve the links that had been built over the years.

610. Referring to the meeting held at Molokai, Senator Olter, Special Adviser, pointed out that the position of the Federated States of Micronesia had been and still was that, unless the organization of the three entities would have governmental authority, it would disagree on having such a loose organization to represent those entities.

611. Mr. DeBrum, Special Adviser, stated that, while it was true that in Molokai one of the few areas of agreement which the participants could find had been the question of establishing an all-Micronesian entity, it had been the position of the Marshall Islands Government that until all the various entities had fully organized their own constitutional Governments it would be premature to begin exploring the possibilities of such an entity.

612. The Special Adviser further stated that in the past two years the former and present Governments of the Marshall Islands had participated in informal conferences and meetings with their neighbours in the Pacific. The Marshall Islands Government wished to be able to engage in more productive interaction with its Pacific neighbours, and it hoped that the Administering Authority would see fit to remove some of the current restrictions on such activity.

613. Mr. Camacho, Governor of the Northern Mariana Islands and Special Representative of the Administering Authority, said that the decision of the Northern Mariana Islands to choose closer ties with the United States had been made with the understanding that those islands should pursue, if not closer, at least improved communications, not only with their brothers in Micronesia, but also with other islands in the South Pacific. In that respect, he thought that, rather than competing with each other, the South Pacific islands should find ways of complementing each other. In the 16 months since the Northern Mariana Islands had become a Commonwealth, it had made it known not only to its neighbours in Micronesia but also to other islands in the South Pacific that it would like to maintain as close ties as possible and that it wished to find ways of working together.

614. Senator Olter, Special Adviser, stated that in many respects the United States approach thus far to the transition to constitutional government was so unco-ordinated and so penurious that the Micronesians had begun to wonder whether it was realistic to conceive of a termination of the trusteeship within the next year or two. The Micronesians believed that progress in negotiations was meaningless if, upon termination of the trusteeship, they were still struggling to establish a fully functioning, competent federal government. He pointed out that they were finding it difficult fully to support the goal of the United States of terminating the Trusteeship Agreement by 1981, when it appeared that the primary achievement of that termination would be to relieve the Administering Authority of a burdensome charge.

615. The Special Adviser said that the Micronesians did not seek indefinite extension of the trusteeship period; rather, they sought early fulfilment of the obligations of the Administering Authority.

616. Mr. DeBrum, Special Adviser, said that the Marshall Islanders were moving forward and were satisfied that their Government was living up to its responsibilities and commitments to prepare the people for the termination of the trusteeship, which the President of the United States had promised would take place by 1981.

617. Senator Olter, Special Adviser, said that the people of the Federated States of Micronesia regretted the role played by the Administering Authority in the partitioning of Micronesia. They felt that the dismemberment of the Trust Territory was not, in the long term, in the best interests of the Federated States, of those districts separating or of the Administering Authority. The Special Adviser said that fragmentation would compound the already overwhelming problems of economic and political viability. He felt that a firmer and wiser hand on the part of the Administering Authority could have guided the Territory to its destination intact.

618. The Special Adviser further stated that the Federated States of Micronesia had no disagreement with 1981 as a target date for the termination of the Trusteeship Agreement. There were, however, certain obligations that the Administering Authority should have fulfilled before its obligation was lifted.

619. Mr. DeBrum, Special Adviser, said that the Marshall Islands had formed a constitutional Government in accordance with the mandate of the Trusteeship Council and of the United Nations. It had lived up to its part of the commitment to terminate the Trusteeship Agreement in an orderly fashion by 1981.

620. Mr. Camacho, Governor of the Northern Mariana Islands and Special Representative of the Administering Authority, said that the Northern Mariana Islands was at that time in a position to request the Administering Authority to consider terminating the Trusteeship Agreement even earlier than 1981.

621. Mr. Silmai, Special Adviser, pointed out that the goal of his Government and of the people of Palau was to aim at 1981 as the year for the termination of the Trusteeship Agreement.

622. The representative of the United States said that it was possible and desirable to terminate the Trusteeship Agreement by 1981. His Government expected that, through the negotiations that were currently in progress, the termination of the Agreement would take place on terms mutually acceptable to the peoples of the Trust Territory and to the Government of the United States. When the termination of the Trusteeship Agreement had finally been negotiated and concluded among the parties to the negotiations, his Government expected to report the results of those negotiations to the United Nations in accordance with the terms of the Charter of the United Nations and the Trusteeship Agreement.

623. The representative of France said that the draft constitution on which the Micronesians had taken a decision on 12 July 1978 had been prepared in 1975 by a constitutional convention at which all the districts of the Territory except the Northern Mariana Islands had been represented. So it was with full knowledge and with clear awareness that the unity of Micronesia was at stake that the voters of the districts had gone to the polls. It was to be regretted that the wish for unity had not been unanimous. The French delegation had always felt that the populations concerned would have better been able to ensure the representation of their interests as part of a large unit. It believed that that had been and still was the Council's view.

624. The representative of France observed that the fact that the Micronesians had lived together under various foreign administrations in recent decades had not been sufficient to convince all the people of the Territory that they should meet the

future together. Nevertheless, anyone who knew anything at all about the Territory would understand the reasons of those who had chosen to take their own path.

625. The representative of France further observed that it was not surprising that separatist tendencies had prevailed in Palau and the Marshall Islands since they were separated by thousands of kilometres of ocean. Those two outermost areas had very different geographies, the former consisting of normal land-mass islands and the latter of atolls barely breaking the surface of the sea. Consequently, it was understandable that those two peoples should have preferred to affirm their separate identities, forged over past centuries. Regrettable as it might be, the choice made by both must nevertheless be respected, as the Congress of Micronesia had respected it in announcing the results of the referendum. The French representative hailed the dignity with which those like Senator Olter of Ponape had overcome their bitterness and accepted the results.

626. The representative of France, referring to recent political and institutional developments in the various Micronesian entities, said that the Micronesians, equipped with all the institutions necessary for the exercise of governmental responsibilities, should have the right to call for the termination of the Trusteeship Agreement before long. It was nevertheless normal that, before that stage was reached, all concerned, apart from the inhabitants of the Northern Mariana Islands, who had already decided in favour of commonwealth status, hoped that their future relations with the Administering Authority would be defined.

627. The French representative said that the statement of agreed principles for free association for Micronesia signed at Hilo on 9 April 1978 and subsequent negotiations reflected the desire of all concerned to achieve a solution that respected the dignity of the peoples of the Territory. His delegation hoped that the current discussions would lead to a result mutually satisfactory to all concerned so that there could be a speedy end to the Trusteeship Agreement.

628. The representative of France noted that on 25 April 1979 the United States Department of the Interior had passed Secretariat Order No. 3039, which had transferred to the newly elected authorities powers as broad as the circumstances permitted. That Order also handed over to those authorities movable and immovable assets of the administration of the Territory and properties in the public domain. It was gratifying, in particular, that, as a result of the same Order, the High Commissioner should no longer be in a position to use the veto power.

629. The representative of the United Kingdom stated that, when he had introduced the report of the Visiting Mission to observe the referendum on the draft constitution of the Federated States of Micronesia, he had made clear that members of the Mission had stressed the view of the Trusteeship Council that political unity in the Marshall and Caroline Islands should if possible be maintained, but that it was ultimately for the Micronesians themselves to decide upon their future relations with each other. He emphasized that it had been the conviction of all members of the Mission that the referendum had been conducted fairly and impartially and that the result had been an accurate reflection of public sentiment in the six districts.

630. The United Kingdom delegation had been encouraged by the accounts which it had heard at the forty-sixth session of the Trusteeship Council of the progress which had been made in setting up new governmental and administrative structures in the various parts of the Trust Territory, not least the installation of elected Governments in the Federated States of Micronesia and in the Marshall Islands and of elected governors in the component parts of the Federated States.

631. The United Kingdom delegation had listened with sympathy to the accounts which the Trusteeship Council had heard of the difficulties which had arisen in Palau over the arrangements for the introduction of a new constitution. It had no doubt that the people of Palau would, with their customary skill, find a way to overcome their difficulties and differences and that a new constitution would be submitted to referendum, and then brought into effect, in the near future. The delegation of the United Kingdom very much hoped that it would prove possible to hold the referendum on 9 July, as planned.

632. Further, the United Kingdom delegation was glad to note the passage of Secretarial Order No. 3039, which provided for the assumption of greater control over the affairs of Micronesia by the new Governments and also restricted the power of veto by the High Commissioner of the Trust Territory. It noted that some of the representatives who had spoken in the Council had argued for a fuller devolution of powers. In his delegation's view, the local Governments should, in the later stages of the trusteeship period, exercise as much responsibility as possible. But it had also been its view for some time that the Government of the United States, because of its legal responsibilities to the United Nations, must until the end of the trusteeship period retain sufficient powers to enable it to discharge its responsibilities under the Trusteeship Agreement. So far as the United Kingdom could judge, the arrangements which had been made appeared to strike a sensible balance between those two criteria.

633. The representative of the United Kingdom stated that, as the constitutional arrangements which would exist in the Trust Territory after the termination of the Trusteeship Agreement in 1981 began to take shape, it still remained for the Federated States of Micronesia, the Marshall Islands and Palau to agree with the United States Government on the details of the relationship which they would have with that Government after 1981. His delegation had been pleased to hear from the statements of Mr. Peter R. Rosenblatt, the Personal Representative of the President of the United States for Micronesian Political Status Negotiations, Mr. DeBrum, Special Adviser, and others that progress was being made at the status talks, although much remained to be resolved. It was in the interests of all concerned that solutions should be found to outstanding issues.

634. The United Kingdom representative said that the Trusteeship Council and his own delegation had consistently favoured the maintenance of the greatest possible degree of unity between the component parts of the Trust Territory. It might be regretted that the outcome of the constitutional referendum in July 1978 amounted to a decision not to preserve a single constitutional framework for all of the Territory apart from the Northern Mariana Islands. It must, however, be accepted that there might also be other considerations of a local and particular nature which the people of the Trust Territory were better fitted to judge than were others. His delegation, must, since it favoured self-determination, respect the decision which the people had taken. Despite their decision not to adopt a single constitutional framework, the delegation of the United Kingdom trusted that all the peoples of the Trust Territory and their Governments would nevertheless make it one of their highest priorities to foster the closest links with each other in all fields. His delegation had been encouraged to learn from statements made in the Council and from conversations with Micronesian delegates of the priority which they themselves placed on such co-operation and on the furthering of contacts with the Trust Territory's neighbours in the Pacific.

635. On the basis of the material on the situation in the Trust Territory presented

to the current session, as well as the communications of the special advisers and petitioners from Micronesia, the representative of the Union of Soviet Socialist Republics noted that the situation in the Territory over the last year had not shown any improvement. On the contrary, what he found were all the symptoms of an increasing deterioration of the situation in all areas.

636. The Soviet Union representative pointed out that the Charter of the United Nations clearly set forth the basic goals of trusteeship, which consisted of preparing Trust Territories for self-government and independence. However, those goals were not begin attained in the political, economic or social sectors by the Administering Authority. Despite its assurances that it desired to attain the goals of trusteeship in Micronesia, the Administering Authority was continuing to act in the Territory in violation of the Charter and of the obligations freely assumed under the Trusteeship Agreement, circumventing the Security Council, and violating the Declaration on the Granting of Independence to Colonial Countries and Peoples.

637. The Soviet Union delegation had repeatedly drawn the attention of the Trusteeship Council and other United Nations bodies to the critical situation which had come about in Micronesia, which was preventing the people of that Territory from exercising their inalienable right to self-determination and independence. The United States administration over the Trust Territory had lasted for over 30 years. It was, however, quite clear that, instead of a unified Territory prepared in the political, economic and social areas to achieve self-determination and independence, there was a Territory which was economically and socially unprepared, where the spirit of separatism was begin implanted and where a policy was being carried out with the aim of perpetuating the domination of the Administering Authority over the Territory.

638. The Soviet Union representative said that the United States, as the arbitrarily established deadlines for ending its trusteeship over Micronesia approached, had been increasing its efforts not only to dismember the Territory but also to impose on the individual parts various types of dependence status vis-à-vis the United States. At the same time, attempts were being made to cover up that policy by elections, referendums and plebiscites, in order to transfer the responsibility for those actions to the Micronesians themselves, to whom were attributed not only the desire to remain under foreign domination but also an unwillingness to maintain a unified Micronesia.

639. The representative of the Soviet Union quoted from a letter dated 25 April 1979 from the Permanent Representative of the United States to the United Nations addressed to the President of the Trusteeship Council, 37/ in which it was claimed the Territory was being administered in accordance with Article 76 of the Charter and the Trusteeship Agreement.

640. The representative of the Soviet Union stated that the Micronesians were, however, of another opinion. Senator Olter, Special Adviser, had stated in the Council that the dismemberment of the Trust Territory was not in the long-run

37/ Ibid., Forty-sixth Session, Sessional Fascicle, annexes, document T/1804.

interests of the Micronesians. The Special Adviser had said that, on the contrary, it had merely further complicated and aggravated the acute economic and political problems they already had. He had referred to the responsibility of the Administering Authority for the measures being taken which were leading to a disruption of the unity of Micronesia.

641. The Soviet Union representative pointed out that, in the referendum held in July 1978 on the question of the constitution of the Federated States of Micronesia, the majority of Micronesians had voiced their support of that draft constitution, thus affirming their genuine aspirations to achieve self-determination and to maintain the unity and territorial integrity of Micronesia. Neither pressure nor legal obstacles created by the Administering Authority had succeeded in preventing that widespread endorsement of the constitution of the Federated States of Micronesia.

642. The Soviet Union delegation, while maintaining its reservations with respect to some conditions of the referendum established by the Administering Authority (conditions which had, inter alia, led to the non-participation in the referendum by the people of the Northern Mariana Islands, which was an inalienable part of the Trust Territory), nevertheless viewed those results as constituting an important triumph of the Micronesians on the path to genuine self-determination and independence.

643. The representative of the Soviet Union said that the convincing results of the referendum, which had succeeded in promoting the self-determination and independence of the Micronesian people, were, however, again being ignored by the Administering Authority, which was attempting to treat them in an extremely peculiar way, falling back on a law that had been imposed on the Congress of Micronesia by the Administering Authority. That was being done to continue the fragmentation of Micronesia and to impose on its separate parts various types of dependent status vis-à-vis the United States.

644. The position of the Soviet Union on such measures by the Administering Authority in Micronesia was well known to the Trusteeship Council. In accordance with the Charter, any change in the status of a strategic Trust Territory could take place only by a decision of the Security Council. Those one-sided actions of the United States with respect to the entire Trust Territory or its individual components could not be recognized as lawful or as having legal force.

645. On that basis, the representative of the Soviet Union stated that the referenda held in the Marshall Islands and Palau, as well as all measures aimed at separating the Northern Mariana Islands from the Trust Territory, could be viewed only as illegal actions on the part of the Administering Authority in violation of the Charter. If it was truly interested in carrying out the goals of trusteeship over Micronesia as established by the United Nations, the Trusteeship Council must not participate in measures of any sort that might be used by the Administering Authority to bestow legitimacy on its illegal acts in the Territory. Accordingly, the question raised by the Administering Authority concerning a visiting mission of the Trusteeship Council to Palau to observe the referendum could not be supported by the Soviet Union delegation.

646. The Soviet Union delegation supported the request of the representatives of the Trust Territory for a prompt implementation of the goals of trusteeship and the

resolution of other vital problems of the Territory. It once again stressed that the question of the future of Micronesia constituted a component part of the problem of decolonization, of granting colonial peoples their right to self-determination and independence. Any measures by the Administering Authority which were actually aimed at annexing the Trust Territory, under whatever pretext, were in clear violation of the Charter, the Trusteeship Agreement and the Declaration on the Granting of Independence to Colonial Countries and Peoples.

647. The representative of the Soviet Union reiterated that any change in the status of a strategic Trust Territory could be carried out only by the decision of the Security Council pursuant to Article 83 of the Charter and, consequently, could not be imposed by the Administering Authority as a one-sided measure. The one-sided actions of the United States with respect to the Trust Territory or individual parts thereof could not therefore be recognized as legitimate or as having legal validity.

648. The Soviet Union delegation expressed the hope and the certainty that the people of Micronesia would, despite those difficulties, be able ultimately to exercise their inalienable right to self-determination and independence and create their own unified and independent Micronesia. It was the duty of the Trusteeship Council to provide all necessary assistance to the Security Council in carrying out all functions of the United Nations concerning Micronesia, in strict compliance with the Charter and the Declaration on the Granting of Independence to Colonial Countries and Peoples. /

G. CONCLUSIONS AND RECOMMENDATIONS

649. At its 1495th meeting, on 15 June 1979, the Trusteeship Council adopted the following conclusions and recommendations by 2 votes to 1, with 1 abstention. 38/

GENERAL

Land and people

650. The Trusteeship Council notes that, as a result of the referendum held on 12 July 1978, discussions and planning for the location on Ponape of the executive and judicial branches of the Government of the Federated States of Micronesia have begun and that actions are under way to locate all branches of the Government of the Federated States in the same place. The Council notes further the statement by Senator Olter that a final plan for capital facilities for the Federation will be completed by August 1979. The Council notes with interest the statement by the Deputy High Commissioner that funds have been made available for an architectural and engineering study on the permanent capital of the Federated States and that the Trust Territory Government has made available additional funds for the renovation of the old Ponape Hospital to be used for an interim capital facility.

651. The Council shares the view of Senator Olter on the importance of providing the necessary infrastructure to allow Kolonia to assume its role as the capital of the Federated States of Micronesia and, in particular, it invites the Administering Authority to install a system of telecommunications linking the Federated States.

Population movements

652. The Trusteeship Council continues to be deeply concerned about the plight of the displaced populations, particularly those of Bikini Island. The Council notes that it has been 33 years since the people of Bikini were originally evacuated from their island and that, according to the latest statement by the Administering Authority, it is now estimated that it will be another 30 to 60 years before Bikini is safe for agricultural purposes. The Administering Authority has further reported that Enyu, the other major island of the Bikini atoll (and the second choice of the Bikinians for settlement) will not be safe for habitation for another 20 to 25 years. The search for a satisfactory solution to this tragic problem should thus, in the view of the Council, be given the highest priority. The Council notes with satisfaction that the Administering Authority shares its concern and that the High Commissioner is reported to be currently exploring with the Bikinians alternative areas of resettlement.

653. The Council is also pleased to note that steps are being taken meanwhile to improve conditions for the Bikinians on Kili Island, which has not proved a satisfactory alternative place of settlement for various reasons, including the fact that it is inaccessible to shipping for a large part of the year. The Council therefore notes with satisfaction the report by the representative of the Administering Authority that a survey is under way to determine whether an all-weather dock is feasible, or alternatively a short-range air strip.

38/ For details of voting and explanations of vote, see paras. 14-25 above.

654. The Council is also pleased to learn that a new school has been completed and a new dispensary provided and that the church built for the original inhabitants of Kili Island has been expanded. It further notes with satisfaction that 10 houses have been built on Ijit Island in Majuro atoll for a small group of Bikinians who chose not to return to Kili after the second evacuation from Bikini in 1978.

655. The Council notes with satisfaction that a clean-up of Enewetak is proceeding according to schedule and should be completed in 1980. It further notes that some tests are currently being undertaken to assess the contamination present in the northern islands of the atoll and that, should the levels of radiation prove satisfactory for habitation, the resettlement programme will be modified to allow for the resettlement of families on Enjebi, but in either case the resettlement will be completed on schedule.

656. The Council urges the Administering Authority to take all necessary precautions to ensure that the inhabitants of the Marshall Islands are not further exposed to radiation hazards. It notes that during the current session the Special Adviser from the Marshall Islands, the petitioners representing the International League for Human Rights and the people of Bikini expressed their desire to have independent experts survey the health hazards resulting from weapons-testing in the Marshall Islands. In view of the fears aroused in the Trust Territory as a result of the recent discovery that Bikini is not after all safe for resettlement, the Council suggests to the Administering Authority that it might consider the association of such an expert in any future survey, in order to reassure the population. The Council notes with satisfaction the statement by the Administering Authority that it considers the health of the displaced population to be a matter of primary concern. The Council also notes with satisfaction that compensation and continuing medical care are being provided for the inhabitants of Bikini, Rongelap and Utirik atolls who were exposed to radiation.

657. The Council notes with concern the continuing influx of population into the island of Ebeye, where over 8,000 inhabitants now live in shanty-town conditions on a surface area of 30 hectares. Since this situation poses acute social problems, the Council hopes that the Administering Authority and the new Government of the Marshall Islands will urgently consider solutions on both a short-term and long-term basis. The Council notes with interest that, according to the Special Adviser from the Marshall Islands, plans are under discussion: (a) to encourage those who have emigrated to Ebeye to return to their atolls of origin where efforts would be made to improve their living conditions; and (b) to develop other islands of Kwajalein atoll where another section of the population of Ebeye would be established while continuing to be employed at the Kwajalein base. The Council commends these projects which seem promising and hopes that the resources required for their implementation can be found.

War and post-war damage claims

658. The Trusteeship Council reiterates its concern that war damage claims have not yet been settled as determined by the Micronesian Claims Commission. The Council notes with satisfaction, however, that the United States Congress has authorized full payment of claims under Title II and that payment of all outstanding claims under Title II, amounting to \$US 12.6 million, is now virtually completed.

659. The Council wishes to report that, in implementation of the decision which it took last year, the Acting President of the Council called on the Permanent Representative of Japan and the Alternate Permanent Representative of the United States to the United Nations to explain the concern of the Council that the claims under Title I should be settled in one way or another in the best interests of the population. Both parties undertook to report her representations to their Governments.

660. The Council notes with satisfaction that the United States Congress is considering a proposal which would authorize payment on an ex gratia basis of 50 per cent of the claims outstanding under Title I of the Micronesian Claims Act of 1971, without making its payment contingent on a comparable gesture by the Japanese Government. The Council notes with satisfaction the statement by the representative of the Administering Authority that this proposal has already been passed by the House of Representatives and that the legislation is now in the Senate, which should take action on it before the end of 1979.

661. The Council also takes note of the statement by the representative of the United States that his Government, which has for many years been in close consultation with the Government of Japan on this issue, believes that the two Governments could evolve a way to express their sympathetic concern for the people of Micronesia. It also notes that, although there is not a viable legal claim, the United States Government believes that there is "a moral claim of substantial proportions".

662. The Council further notes the statement by the Chairman of the Palau Special Committee on War Damage Claims Settlement that the Micronesian claimants do not dispute the legality of the 1969 agreement between the Government of Japan and the Government of the United States, although they consider that the strictly legal stand adopted by the Japanese Government up until now is contrary to the humanitarian spirit of the agreement. The Council notes that the Chairman stressed that a settlement of this issue would strengthen the existing bonds of friendship between the people of Micronesia and the people of Japan.

663. The Council appeals to those concerned to make a further urgent effort finally to resolve this long-standing issue in the best interests of the innocent victims. In particular, the Council, taking into account the difficulties posed by that situation to the people of Micronesia, expresses the hope that the parties can achieve a humanitarian solution of the problem before the termination of the Trusteeship Agreement.

POLITICAL ADVANCEMENT

General political structure

664. The Trusteeship Council takes note of the results of the referenda held on 12 July 1978 in the Palau, Yap, Truk, Ponape, Kosrae and Marshall Islands districts, under the observation of a Visiting Mission which the Council had decided to send at its forty-fifth session. It welcomes the fact that the inhabitants of four districts (Yap, Truk, Ponape and Kosrae) have declared themselves in favour of the draft constitution and will thus form the Federated States of Micronesia. While respecting the wishes of the people of the Marshall Islands and Palau, it notes

with regret that, by rejecting the draft constitution, they have chosen to form separate entities.

665. The Council notes that, in a referendum on 1 March 1979, under the observation of a visiting mission which the Council had decided to send, the people of the Marshall Islands adopted their own constitution.

Territorial Government

Legislatures

666. The Council welcomes the fact that, in accordance with the constitution adopted on 12 July 1978, the Congress of the Federated States of Micronesia was inaugurated on 10 May 1979.

667. The Council notes with satisfaction that the Nitijela of the Marshall Islands was officially inaugurated on 1 May 1979.

668. The Council also notes with satisfaction that, pursuant to Secretarial Order No. 3027 of 29 September 1978, the Administering Authority has vested interim legislative authority in the Representative Assembly of Palau District, until such time as the District adopts its constitution and puts it into force.

Executive

669. The Council welcomes the fact that, as a result of changes in the political and administrative structure of the Territory, virtually all of the executive posts are now held by Micronesians.

670. It particularly welcomes the election on 11 May 1979 of the President and Vice-President of the Federated States of Micronesia, who officially assumed their duties on 15 May 1979.

671. It notes with satisfaction the election by the Nitijela of the President of the Marshall Islands, who assumed his duties on 1 May 1979 and proceeded to appoint the members of his Cabinet.

672. The Council notes with satisfaction Secretarial Order No. 3039 of 25 April 1979, issued by the United States Department of the Interior, which transfers a number of powers to the Governments of the new entities so as to give them greater autonomy. It urges the Administering Authority in particular to carry out its undertaking to hand over to the various entities concerned the powers referred to in Secretarial Order No. 3039 by 30 September 1979. It hopes that the High Commissioner will refrain from exercising his right of suspensive veto; to that end, it suggests that the leaders of the new entities should take care to adopt only measures which are compatible with the Trusteeship Agreement.

District government

673. The Council welcomes the elections held in Truk in September 1978, in Kosrae and Yap in November 1978 and in Ponape in March 1979, which enabled those districts to acquire a leadership freely chosen by their inhabitants.

674. With regard to Palau, the Council takes note of the fact that a Constitutional Convention, meeting from 28 January to 2 April 1979, prepared a draft constitution which will be put to a referendum, so that by the end of the year that district should have its own institutions.

Civil service

675. The Council notes with satisfaction that, during the past year, the Administering Authority has somewhat reduced the number of its employees. It also notes the Deputy High Commissioner's assurances that the great majority of the expatriate personnel now employed have only short-term contracts which are not expected to be renewed. It again calls upon the Administering Authority to pursue the "micronization" of all services, while at the same time ensuring that the future States are not left with complicated and costly administrative structures after the trusteeship is terminated.

Political education

676. The Council endorses the observations made on this subject by the Visiting Missions sent to Micronesia to observe the referendum of 12 July 1978 39/ and to the Marshall Islands to observe the referendum of 1 March 1979. 40/

Judiciary

677. The Council is pleased that the Federated States of Micronesia, under the terms of their Constitution, now have their own judiciary. It also notes with interest the provisions concerning the judiciary contained in the Constitution of the Marshall Islands.

678. The Council notes with satisfaction that, in accordance with Secretarial Order No. 3039 of 25 April 1979, jurisdiction over new cases will rest with the courts of the Federated States of Micronesia and of the Marshall Islands, as and when they are established. It notes that the High Court will remain the supreme judicial authority until termination of the trusteeship. It also notes with satisfaction that the Secretarial Order provides for the transfer to the new courts of the premises and property of the Territory's existing courts and the funds allocated to them.

ECONOMIC ADVANCEMENT

General economy

679. The Trusteeship Council notes with regret that the level of the Territory's economy is not such as to provide sufficient funds to meet its administrative and social expenditures. Dependence on grants from the Administering Authority is as great as in the past.

39/ Official Records of the Trusteeship Council, Forty-sixth Session, Supplement No. 2 (T/1795).

40/ Ibid., Supplement No. 3 (T/1805).

680. The Council notes that the Territory's exports amount to only one fifth of its imports. Thus, in 1978, tuna fish sales (\$US 3.7 million) did not even cover purchases of beverages and tobacco (\$US 4.5 million). Inasmuch as the funds now derived from tourism, marine resources, handicrafts and agriculture 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 the population's needs, especially for food, and to discourage purchases of similar products from abroad.

681. The Council notes with satisfaction that the Administering Authority has extended to the Territory a generalized system of tariff preferences, as have Canada and Japan. It requests the Administering Authority to continue its efforts to obtain similar benefits from other countries. Furthermore, it urges the Administering Authority to include coconut oil in its system of tariff preferences, as requested by the High Commissioner himself.

682. The Council notes the Administering Authority's statement that it continues to support the five-year indicative development plan, the implementation of which is now the responsibility of the local governments.

683. The Council notes with interest that the Administering Authority hopes that all the capital improvement projects prepared in 1976 will be completed before termination of the trusteeship. The Council regrets that the second-level capital improvement programme has been abandoned for lack of funds; it notes with interest the Deputy High Commissioner's statement that some of these projects might be carried out under the regular improvement programme and other federal programmes. The Council hopes nevertheless that the Administering Authority will consider whether further elements of the second-level capital development programme ought to be revived and carried out.

684. The Council notes that certain parts of the Territory are experiencing some difficulties in obtaining a proper supply of electricity. The Council urges the Administering Authority to make use of, or to initiate studies with a view to using as much as possible, the existing energy sources in the Territory.

Public finance

685. The Council has taken note of the budgetary provisions contained in Secretarial Order No. 3039, from which it can be seen that the High Commissioner retains extensive decision-making and supervisory powers. It considers that, as the trusteeship draws to a close, and by virtue of the institutional changes which have taken place in recent months, a greater role should be accorded to the local authorities, particularly in determining priority expenditures.

686. The Council has noted with interest the statements by the Deputy High Commissioner indicating that the Administering Authority is maintaining its grants to the various districts at the same level as before, and that budget reductions affect only the appropriations for central government operations.

687. The Council notes with interest that the Administering Authority has acquired the services of a tax expert. It reiterates its view that the Territory's system of taxes and duties should be designed to discourage the import of goods and products which can be obtained locally.

Assistance from international institutions and other countries

688. The Council strongly urges the leadership of the Territory to avail itself of the assistance of the various regional and international agencies.

689. It notes with satisfaction that UNDP has appointed a new project manager, who took up his duties in September 1978, and that it is continuing to provide assistance in carrying out certain studies.

690. It also notes with interest that WHO, SPC and the United Nations Asian and Pacific Development Institute are providing assistance in the training of personnel.

691. The Council further notes with interest that a Japanese agency is co-operating with regard to fishing in Palau. It hopes that the Federal Republic of Germany and Canada will heed the requests made to them for certain activities.

Credit

692. The Council takes note of the statements of the Deputy High Commissioner to the effect that the Territory's Economic Development Loan Fund should be reactivated shortly.

Land

693. The Council notes with satisfaction that the identification of public land has been completed and that the surveys of such land are on the verge of completion.

694. The Council notes with satisfaction that the transfer to local authorities of the title to public land is being effected.

695. It notes with interest the Territorial Government's decision to request funds to convert land which it holds under indefinite use agreements into holdings through purchases, fees or leases on fixed terms.

Agriculture and livestock

696. The Council continues to believe that the expansion of agricultural and livestock production to meet the needs of the population is a matter of priority. This objective should be pursued concurrently with the promotion of export-oriented agriculture on a commercial scale.

697. The Council notes with interest that a study on the development of pepper plantations on Ponape has been carried out and hopes that the necessary capital will be made available. It also notes with interest the forthcoming opening of a broiler plant in Truk. It regrets, however, that the development of rice plantations on Ponape is still at the project stage.

698. The Council urges the Administering Authority to continue its effort to improve the yield of coconut plantations in order, among other things, to guarantee supplies for the two copra processing plants in the Territory.

699. The Council notes with interest that the Administering Authority has included in the next budget funds for the purchase of equipment to begin exploiting the forestry resources on Kosrae, Ponape and Palau.

700. The Council expresses its sympathy with the inhabitants of the Marshall Islands and the Mariana Islands, who suffered loss from cyclones during the year.

Marine resources

701. The Council notes with satisfaction the entry into force of Public Law 7-71 concerning the exploitation, management and conservation of marine resources in the 200-mile zone under the jurisdiction of the Federated States, and the establishment of the Micronesian Maritime Authority. It notes with interest that the Marshall Islands and Palau have also established a 200-mile zone and that Palau has created its own Maritime Authority.

702. It urges the Administering Authority to pay particular attention to ensuring that foreign fishing vessels respect the rights of the Micronesians over these 200-mile zones.

703. The Council notes with satisfaction the fishing agreements concluded with Japan by the various entities of the Territory.

704. The Council notes with satisfaction that the Administering Authority is paying constant attention to projects for improving the exploitation of marine resources. In this respect, it particularly welcomes the services of the Research Center set up in Palau.

705. The Council hopes that the various Micronesian entities will be able to become members of the proposed South Pacific regional fisheries association.

Light industry

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

707. It notes with satisfaction that a "Latorex" factory might be established shortly in Ponape, and that the bricks and tiles produced would help to reduce the cost of construction on the island.

Tourism

708. The Council notes with satisfaction the steady growth in the tourist trade (a 26 per cent increase in the past year), which is considered to be one of the leading means of economic development.

709. The Council notes, however, that despite this satisfactory evidence of expansion, the tourist industry is active on a very small scale, owing to the lack of infrastructure and reception facilities, and that its geographical remoteness from world population centres is at present an obstacle to its development. The Council notes in this context that improved transport and communications is crucial.

710. The Council is pleased to note that the Trust Territory Government is seeking to increase joint-venture investments for the construction of hotel and motel accommodations.

711. The Council reiterates its recommendation that local products should, wherever possible, be given preference over imports and should be used more widely in restaurants and tourist hotels. It believes that handicrafts are another source of revenue and employment which should be expanded and diversified to keep pace with the growing tourist industry. For instance, more use could be made of the abundant local coral for jewelry. In this context, it notes with satisfaction that a handicraft adviser is at present in the Trust Territory. It also commends the efforts being made to organize cultural centres and museums.

712. While welcoming the expansion of the tourist industry, the Council hopes that the interests of the population will be safeguarded and the environment preserved.

Transport and communications

713. The Council notes that transport and communications continue to be a serious problem in the Trust Territory.

714. The Council notes with satisfaction that the last of seven ships constructed for use in inter-island field trips was delivered to the Trust Territory in April 1979 and that all seven vessels are now deployed throughout the Territory. It further notes with satisfaction that seven shipping companies serve the Trust Territory, three of which are Micronesian. Vessels have been under charter by the Trust Territory Government at reduced rates to three companies, two of which are Micronesian.

215. The Council notes with satisfaction that construction of new docks in Majuro and Yap is in progress. It regrets, however, that construction on the Kosrae, Truk and Palau docks has been delayed due to insufficient funds and expresses the hope that the necessary funds will be made available.

716. The Council notes with satisfaction that Air Micronesia has added a third jet aircraft to its fleet. It notes with interest that the establishment of new air routes to Australia, Papua New Guinea and the Philippines is under consideration.

717. The Council notes with satisfaction that construction of the Truk International Airport is now under way. It welcomes plans for further improvement to the airports of Pohnpei, Palau, Yap and Kosrae.

718. The Council notes that the road system remains inadequate in certain parts of the Territory.

719. The Council notes with satisfaction the improvement of inter-island communication with the initiation of the Department of Interior Satellite Project network, utilizing the ATS-1 satellite of NASA, which makes possible conferences with American Samoa, Papua New Guinea, the state of Hawaii and New Zealand.

Proposal for a super-port in Palau

720. The Council continues to believe that attention should be given to the environmental impact of the development of a super-port in Palau.

721. The Council notes that the High Commissioner is considering a proposed agreement for the performance of a feasibility study by a consortium of Japanese business firms. It further notes with satisfaction that the Administering Authority has reiterated its position that a feasibility study is the necessary first step; that the impact of any such project on the Palauan environment should be assessed thoroughly and objectively; that the approval of the people of Palau would be required; and that any request for a super-port would have to comply with Palauan law, the Trust Territory Code and applicable United States laws.

722. The Council wishes to endorse once again the proposals made by the 1976 Visiting Mission that, following completion of the contractors' feasibility study and before the proposal is put to the people of Palau, there should be a further study of the project by a body of experts having no vested interest in the matter.

Co-operatives

723. The Council reiterates the hope that the Administering Authority will continue to encourage the establishment of farming co-operatives and to distribute informational material on this subject, since co-operative farming and the use of machinery for common services have reportedly not been fully accepted by Micronesian farmers.

724. The Council notes with interest the statement by the Deputy High Commissioner that, at 30 September 1978, there were 20 fishing co-operatives in the Trust Territory.

SOCIAL ADVANCEMENT

Medical and health services

725. The Trusteeship Council notes with satisfaction the progress made in strengthening the health and hospital infrastructure of the Trust Territory, including completion of a new 50-bed hospital in Yap, the addition of a new out-patient building to the Palau hospital, the completion of 38 dispensaries under the Hill-Burton Dispensary Program and completion of haemodialysis units for Palau and Ponape.

726. The Council notes with concern, however, the adverse report of a Medicaid team on the hospital in Saipan which was found to be antiquated, dangerous and impossible to renovate. It hopes that the necessary supplementary appropriations will be forthcoming for construction of a new building.

727. The Council notes with satisfaction that corrective measures have been taken to improve the serious deficiencies in the Marshall Islands District Hospital at Majuro. The Council also notes the statement by the Administering Authority that a new hospital is to be built at Majuro at an estimated cost of \$US 8 million.

728. The Council notes with satisfaction: (a) the adoption of a proposal for a three-year training programme for health workers at Ponape Hospital; and (b) the existence of training programmes for laboratory technicians in disease prevention. It further notes that the ultimate aim of the new three-year programme is to establish a permanent health training centre for Micronesia.

Labour

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

730. The Council notes with satisfaction the creation of a Young Adult Conservation Corps in the Territory employing 300 men and women. It also commends the apprenticeship programme financed by CETA.

731. The Council notes with regret that the Continental Hotel at Koror, Palau, has still not resolved its labour dispute with its employees. The Council therefore urges the Administering Authority to do its utmost to promote a satisfactory settlement of this dispute.

Housing

732. The Council notes with satisfaction the continued provision in 1978 by HUD of grants for housing development and rent subsidies for lower-income families, and by MIHA of home-ownership loans. It notes with interest that a request has been made to HUD for financing a "Latorex" plant which would use local soils to produce building materials.

EDUCATIONAL ADVANCEMENT

General

733. The Trusteeship Council reaffirms its satisfaction with the excellent record of the Administering Authority in the general field of education, in particular the universal instruction at the primary level and the high rate of secondary school attendance, as well as the increasing number of post-graduate students in the Trust Territory. It welcomes the fact that students in the Trust Territory can obtain grants and loans for higher education from the Government of the United States as well as from other Governments and international institutions. It hopes that students will be encouraged to choose areas of study which will equip them to assist in the development of Micronesia.

Primary and secondary education

734. The Council notes with satisfaction the completion of grammar textbooks and dictionaries in seven Micronesian languages. It also notes with interest the work undertaken during the past year in the production of Micronesian achievement tests. The Council notes with satisfaction the completion of the secondary school complex at Kosrae.

Higher education

735. The Council notes with satisfaction the selection of the first Board of Regents and hopes that an individual will soon be selected to fill the vacant position of Chancellor of the College of Micronesia.

Vocational education

736. The Council notes with interest efforts being made to strengthen vocational training programmes at the secondary school level. It notes that the programme in the Northern Mariana Islands is receiving funds annually. It notes with satisfaction the success of the vocational rehabilitation programme which assists severely disabled individuals to become gainfully employed.

Teacher training

737. The Council notes with interest that, in addition to students enrolled at the College of Micronesia, 212 students are attending teacher-training colleges overseas.

Dissemination of information on the United Nations

738. The Council welcomes the wide dissemination of information on the activities of the United Nations and the Trusteeship System in the Trust Territory. It notes however, the statement by the Director of the United Nations Information Centre at Tokyo that Micronesia is still very much in need of more information, and calls upon the information centre and the Administering Authority to do their utmost to disseminate further information on the United Nations and the Trusteeship System, especially in the light of the intention of the Administering Authority to terminate the Trusteeship Agreement in 1981.

CONSTITUTIONAL DEVELOPMENTS AND PROGRESS TOWARDS SELF-GOVERNMENT OR INDEPENDENCE

739. 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.

740. The Council considers that the constitutional referendum held on 12 July 1978 in the Territory, excluding the Northern Mariana Islands, and in consequence of the result thereof the referendum held on 1 March 1979 in the Marshall Islands, were essential steps towards termination of the trusteeship. It notes with satisfaction that the Chairmen of the Visiting Missions sent by the Council to observe the referendums concluded that they were held in conditions which guaranteed the free expression of the wishes of the populations concerned. It notes that, as a result of these referendums, those concerned now have their own Governments.

741. The Council notes that the Palauans have made arrangements for the holding of a referendum on a draft constitution on 9 July 1979 and have invited it to

send an observation mission for the occasion. Having decided to send such a mission, the Council hopes that the referendum will be held under the same conditions as the previous one.

742. 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.

743. The Council notes with interest the statements of the Special Advisers regarding those negotiations. In particular, it notes that all the Micronesian parties have emphasized their desire to maintain preferential and close relations with the Administering Authority after the termination of the trusteeship.

744. However, the Council notes the concern of the representatives of the Marshall Islands that adequate machinery should be available for the settlement of any disputes that might arise on environmental matters.

745. The Council notes that there is a dispute between groups in the Palau Islands regarding the compatibility of the draft constitution with the draft of the proposed treaty with the United States. It hopes that the parties concerned will find a solution in keeping with the wishes of the population.

746. 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.

747. The Council notes with interest that the Administering Authority has again stated that it would invite the United Nations to send a mission to observe the referendum which would be held on any free association agreement.

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

749. As in 1978, 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.

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

751. 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.

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