

# UNITED NATIONS TRUSTEESHIP COUNCIL



Distr. LIMITED

T/L.1244 29 April 1985

ORIGINAL: ENGLISH

Fifty-second session
Item 4 of the provisional agenda

# OUTLINE OF CONDITIONS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

# Working paper prepared by the Secretariat

#### CONTENTS

		Paragraphs	Page
ı.	GENERAL	1 - 19	4
	A. Land and people	1 - 7	4
	B. Population movements	8 - 9	5
	C. War and post-war damage claims	10 - 19	5
II.	POLITICAL ADVANCEMENT	20 - 47	7
	A. General political structure	20 - 22	7
	B. Territorial government	23 - 30	7
	C. State governments	31 - 34	9
	D. Municipal governments	35 - 36	10
	E. Civil service	37 - 41	10
	F. Political education	42	10
	G. Decentralization	43	10
	H. Judiciary	44 - 47	11

# CONTENTS (continued)

er sg.		Paragraphs	Page
III.	ECONOMIC ADVANCEMENT	48 - 116	11
1 1 1	A. General economy	48 - 54	11
	B. Public finance	55 - 58	.12
	C. International trade	59 - 61	13
	D. Land	62 - 65	13
	E. Agriculture and forestry	66 - 78	14
	F. Marine resources	79 - 85	15
3	G. Third United Nations Conference on the Law of the Sea	86	16
	H. Industry, construction and public works	87 - 96	17
	I. Tourism	97 - 103	18
	J. Transportation and communication	104 - 116	19
IV.	SOCIAL ADVANCEMENT	117 - 170	21
	A. Human rights	117 - 118	21
	B. Medical and health services	119 - 139	21
	C. Community development	140 - 151	24
	D. Labour	152 - 159	26
٠	E. Housing	160 - 164	27
	P. Public safety	165 - 167	28
	G. Peace Corps	168 - 170	29
v.	EDUCATIONAL ADVANCEMENT	171 - 217	29
	A. General	171 - 182	29
*	B. Primary and secondary education	183 - 188	31
	C. Higher education	189 - 198	32

# CONTENTS (continued)

		F* 1 ×	Paragraphs	Page
	D.	Vocational training	199 - 206	34
	E.	Teacher training	207 - 215	35
	P.	Dissemination of information on the United Nations	216 - 217	36
n.	CON	STITUTIONAL DEVELOPMENT AND PROGRESS TOWARDS		
		P-GOVERNMENT OR INDEPENDENCE	218 - 223	36

# TRUST TERRITORY OF THE PACIFIC ISLANDS\*

#### I. GENERAL

#### A. Land and people

- 1. 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.
- 2. According to the 1984 estimates, the population of the Territory totalled 155,933. The distribution of the population in the Trust Territory was as follows: Federated States of Micronesia, 88,375; Marshall Islands, 34,923; Northern Mariana Islands, 19,635; and Palau, 13,000.
- 3. 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, two in Pohnpei (formerly known as Ponape) and one each in the Marshall Islands, Palau, Truk, Kosrae and the Northern Mariana Islands.
- 4. In its annual report, 1/ the Administering Authority assured the Trusteeship Council that it had no plans for dumping nuclear waste anywhere near the islands of the Trust Territory. Any further changes in that policy would require adequate feasibility studies, discussions with the governments of the Territory and compliance with international standards prior to implementation.
- 5. At its fifty-first session, 2/ the Trusteeship Council took note of the fact that the Administering Authority had leased 7,300 hectares of land in the Northern Mariana Islands for contingency military purposes, at a total cost of \$33.0 million. 3/ It expressed satisfaction that the land had in many cases been leased back to its original owners for a nominal fee for continued civilian use.
- 6. The Administering Authority stated in response that it had no immediate need for that land. According to the provisions of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, 4/ the land would be put to productive use by the local people at a very nominal fee until such time as it might be required.

<sup>\*</sup> Unless otherwise noted, the information contained in the present report has been derived from the current annual report of the Administering Authority to the Trusteeship Council (see note 1) or from previous reports.

7. A total of \$14.7 million has been allocated for the Kwajalein Atoll Development and Interim Land Use Agreement programmes out of the 1984 and 1985 funding of the Trust Territory Capital Improvement Program. The funding has been used to implement a number of development projects on Ebeye.

# B. Population movements

- 8. In response to the observations made by the Trusteeship Council at its fifty-first session, the Administering Authority stated in its annual report that as development progressed, expectations increased and population movement from the outer islands to the centres was to a large degree inevitable. The Administering Authority took the position that the issue of population movement must be addressed in the development plans of the governments and that they must be handled in a manner consistent with the goals and objectives of each jurisdiction.
- 9. With regard to the fluctuation in population figures, particularly in Palau, the Administering Authority pointed out that recent research indicated that there had been a series of outward migrations of Palauans in search of better educational and economic opportunities. Guam, Hawaii and Saipan in particular were popular destinations for Palauans seeking improved living standards or better job opportunities. The Administering Authority pointed out that as economic development continued within Palau, the population figures would stabilize.

#### C. War and post-war damage claims

- 10. 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.
- 11. 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 \$5 million. The United States, for its part, agreed to establish a fund in the amount of \$5 million.
- 12. The Micronesian Claims Act of 1971 (United States Law 92-39) established a Micronesian Claims Fund to consist of the contribution 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).

- 13. The Act authorized an appropriation of \$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.
- 14. 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 \$34,349,509 under Title I and \$32,634,403 under Title II.
- 15. At its fiftieth session, the Trusteeship Council welcomed the statements of the Administering Authority that all the parties were continuing their efforts to settle the claims under Title I, that nearly 30 per cent of the \$34 million awarded had been paid and that all claims under Title II had been settled. 4/ In its annual report for 1983, 5/ the Administering Authority stated that of the total claims awarded under Title I, pro rata payments of 26.6 per cent had been made since total funding had not yet been made available.
- 16. At its fifty-first session, the Trusteeship Council took note of the fact that payment of \$24.3 million in Title I war claims under the 1971 Micronesian Claims Act was subject to the provisions of United States Public Law 95-134.
- 17. It expressed the hope that the disbursement of those funds would not be delayed on the basis of legal technicalities and that the United States

  Administration and the United States Congress would be able to take steps to ensure that the money was released before the termination of the Trusteeship Agreement.
- 18. In response, the Administering Authority noted that the legal technicalities to which the Council referred were part of the laws of the United States; unless certain provisions were changed by appropriate legislation, payment could not be effected.
- 19. With respect to the atolls of Bikini and Enewetak, the Administering Authority reiterated that it had accepted responsibility for damages incurred to people and property resulting from its nuclear testing programme. It assured the Council that it would continue to meet its responsibilities fully and with the utmost seriousness. The compact of free association, now under consideration by the United States Congress, would provide to the people of Bikini, Enewetak, and other affected islands long-term financial security, as well as continuing health care.

#### II. POLITICAL ADVANCEMENT

# A. General political structure

- 20. The Trust Territory of the Pacific Islands is composed of four constitutional Governments: the Federated States of Micronesia, the Marshall Islands, the Northern Mariana Islands and Palau. The Northern Mariana Islands function under Secretarial Order No. 2989 which separates it from the rest of the Trust Territory for administrative purposes. The other three Governments operate under Secretarial Order No. 3039, as amended, which recognizes their constitutional governments subject to certain limitations and responsibilities of the High Commissioner, representing the Administering Authority.
- 21. During 1984, the peoples of the Trust Territory further developed institutions of self-government. In the Marshall Islands, the local authorities smoothly and regularly conducted scheduled elections for the Nitijela (national parliament) and the municipal councils. In the Federated States of Micronesia, Pohnpei drafted and subsequently adopted its first state constitution. In Palau, various states approved and implemented their state charters and conducted elections for executive and legislative offices.
- 22. The international contacts by the new Governments continued to expand with the endorsement of the Administering Authority. The Governments are members of the South Pacific Commission (SPC) and other regional bodies and participate in such inter-cultural activities as the South Pacific Festival of Arts and a wide range of other international and regional activities. They are also parties of bilateral and multilateral fisheries and economic aid agreements.

#### B. Territorial government

#### Legislatures

- 23. 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. Members of the Congress are elected by residents of the Federated States who are 18 years of age or older.
- 24. 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. Members of the Nitijela are elected by citizens of the Marshall Islands, 18 years of age or older, who are qualified voters. The Council of Iroij

(traditional leaders), consisting of 12 eligible persons, considers, inter alia, bills affecting customary law, any traditional practice, land tenure or any related matter adopted by the Nitijela. A national election was held in November 1983 after a registration campaign.

- 25. 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 the three senatorial districts. The House of Representatives has 14 members elected for two-year terms. Members of the legislature are elected by residents of the Commonwealth 18 years of age or older, who are registered voters. The most recent elections for the House of Representatives and certain members of the Senate were held on 6 November 1983. In the House, the election resulted in a Democratic majority.
- 26. The legislative power in Palau is vested in the Olbiil Era Kelulau, consisting of a House of Delegates and a Senate, the members of which are elected for a term of four years. One delegate is elected from each state and the delegation so elected composes the House of Delegates. The Senate is composed of the number of senators prescribed from time to time by a reapportionment commission as provided by law. The enactment of laws requires adoption of bills by each house. The President is empowered to veto a bill, but the veto may be overridden if the vetoed bill is subsequently approved by a two-thirds majority of each house.

#### Executive

- 27. The executive power of the Government of the Federated States of Micronesia is vested in a President elected by the Congress for a term of four years and not 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. The President appoints his four-member Cabinet with the advice and consent of the Congress.
- 28. In the Marshall Islands, 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 from 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.
- 29. 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.

30. The executive power in Palau is vested in a President, elected in nation-wide elections, together with a Vice-President, for a term of four years and not more than two consecutive terms. The Vice-President serves ex officio as a member of the Cabinet, and succeeds the President if his office becomes vacant. The members of the Cabinet are appointed by the President with the advice and consent of the Senate. A Council of Chiefs advises the President on matters concerning traditional laws and customs. The President or Vice-President may be impeached and removed from office for serious crimes by a vote of not less than two thirds of the members of each house of the Olbiil Era Kelulau. The President or Vice-President may be removed from office by a recall, if it is so decided by a recall referendum held pursuant to a resolution to that effect adopted by not less than two thirds of the members of the state legislatures of Palau in not less than three fourths of the states.

#### C. State governments

31. In the Federated States of Micronesia, Yap State is now operating under a state Constitution and the other states are in various stages of preparing their constitutions to replace the charters granted under the former Congress of Micronesia. Each state is organized with a governor and chief executive and had legislative and judicial branches.

#### State administrators

- 32. The four states constituting the Federated States of Micronesia (Kosrae, Pohnpei, Truk and Yap) are headed by elected governors. Each of the states installed its first elected governor during 1979 with the exception of Truk, which did so in 1978.
- 33. In Palau, the state constitutions vary from parliamentary to presidential systems. For example, in one state, the Governor is elected from among the members of the state legislature. In some cases, the highest ranking traditional leader of the state is also the state's chief executive or governor. Other state governors are directly elected by the people.

#### State legislatures

34. The Constitution of the Federated States of Micronesia defines the power of the legislatures of its four states. Under the Marshall Islands Constitution, all legislative powers are delegated to the <a href="Nitijela">Nitijela</a>. Qualifications for membership in the legislative bodies are defined in the charters and constitutions of the states concerned.

#### D. Municipal governments

- 35. The Constitution of the Marshall Islands specifically recognizes the right of each populated atoll, or island not a part of an atoll, to a system of local government. In 1982, the <a href="Nitijela">Nitijela</a> enacted Public Law 1981-1982 which requires written constitutions for all local governments in the Marshall Islands and their ratification in referenda and general elections.
- 36. The Commonwealth of the Northern Mariana Islands is divided into four municipal jurisdictions, each headed by an elected mayor.

# E. Civil service

3.3

- 37. During 1983, the Trust Territory administration continued its efforts to transfer authority and responsibility to the constitutional governments. The number of Trust Territory employees at headquarters was further reduced to about 160 from nearly 200 in 1983.
- 38. The Constitution of the Federated States of Micronesia provides for the establishment of executive departments by statute. The President, with the advice and consent of the Congress, appoints the principal officers of those departments and such other officers as may be provided for by statute.
- 39. Under the Marshall Islands Constitution, the civil service, headed by a Chief Secretary, comprises the employees necessary to assist the Cabinet in exercising executive authority and to perform other duties as required. The Constitution also contains provisions for the establishment of a civil service commission.
- 40. 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.
- 41. The Constitution of Palau provides for the appointment of national officers by the President with the advice and consent of the Senate.

#### F. Political education

42. The plebiscite on the new draft compact of free association held in Palau on 4 September 1984 (see para. 219) was preceded by an extensive political educational programme carried out by a special task force established by the President.

## G. Decentralization

43. During the period under review, the Administering Authority continued its efforts to transfer authority and responsibility to the constitutional Governments.

# H. Judiciary

- 44. The judicial system in the Federated States of Micronesia consists of a Supreme Court, established in 1981, and state courts. The Supreme Court, consisting of a trial division and an appellate division, has sessions throughout the four States. State courts have been certified and have begun operating in Pohnpei, Truk and Yap; only the State Court of Kosrae awaits installation.
- 45. In the Marshall Islands, the judicial system comprises a Supreme Court, a High Court, district courts, community courts and traditional rights courts.
- 46. Judicial authority in the Northern Mariana Islands is vested in the Commonwealth Trial Court, which has original jurisdiction over all civil and criminal matters arising under the laws of the Commonwealth.
- 47. Judicial power in Palau is vested in a Supreme Court, a National Court and such lower courts of limited jurisdiction as may be established by law.

#### III. ECONOMIC ADVANCEMENT

#### A. General economy

- 48. Economic planning is now the prerogative of the four constitutional Governments. The Federated States of Micronesia and the Marshall Islands have nearly completed the preparation of long-term development plans with the assistance of experts from the United Nations Development Programme (UNDP). The Palau Government is compiling a data base preparatory to drafting its plan.
- 49. As far as current development activities are concerned, the Administering Authority is working with all four Governments on projects which they themselves have selected within the framework of various technical assistance programmes.
- 50. The individual entities, on their own initiative, have established means of intergovernmental consultation on development and related issues. They have, for example, begun holding regular summit conferences with a view to better co-ordinating their economic policies and reviewing questions of common concern such as fisheries enforcement, communications and higher education.
- 51. The Council suggested at its fifty-first session that the statistical data collected by the Administering Authority were insufficient for the purpose of determining the Territory's economic policy options. In response, the Administering Authority recalled that the responsibility for gathering statistical data had been delegated to the individual Governments. It expressed confidence that, as the Governments came to recognize the value of such data to economic development, they would make greater efforts to increase the quality and quantity of statistical research.

- 52. The Administering Authority continues to support the development of loan programmes for small- and medium-sized enterprises and for the establishment or improvement of agricultural operations, building and tourism. During fiscal year 1984 (1 October 1983-30 September 1984), the development banks of the Federated States of Micronesia, the Marshall Islands and Palau together approved loans totalling \$2.34 million, with another \$4.0 million available for future approvals. In the Commonwealth of the Northern Mariana Islands, some \$3.5 million in loans was granted through the Economic Development Loan Fund (EDLF).
- 53. The Capital Improvement Program, adopted in 1976 to provide a basic infrastructure for the Territory, is administered at the project level by the constitutional Governments using funds provided by the United States Government. As of fiscal year 1984, some \$339.7 million had been allocated for the programme, and 80 per cent of the construction work had been completed.
- 54. Some 40 per cent of the funds to be made available under the compact of free association would be devoted to economic development.

#### B. Public finance

- 55. Funding for government operations and capital improvement programmes in the Trust Territory is derived from several sources, with the major portion being an annual grant provided by the Administering Authority. Federal categorical grants by federal agencies are the second largest source and tax revenues collected by the constitutional Government are the third. The latter revenues are controlled by the respective legislative bodies of the entities and appropriated by them to provide for both their own support and for such legislative projects as might be authorized by law. For fiscal year 1984, the grant from the Administering Authority totalled \$114.1 million while federal categorical grants amounted to \$34.9 million. Local revenues for 1983/84 amounted to \$7.3 million in the Federated States of Micronesia and \$5.2 million in the Marshall Islands. The latest revenue figure available for Palau was \$4.3 million in 1982/83.
- 56. Virtually all functions of programme management and financial administration are performed by the individual Micronesian Governments. Since 1979, the Administering Authority has furnished technical advisers to ensure that the required accounting procedures are properly understood and executed. Currently, the technical assistance office of the Department of the Interior is monitoring the implementation of new financial management systems based on the use of mini-computers. The systems were designed to facilitate budget preparation and execution and ensure better administrative control of funds.
- 57. At its fifty-first session, the Trusteeship Council expressed the hope that Palau's request for the rescheduling of funds would be approved. The Administering Authority responded that the United States Congress had appropriated an additional \$2.0 million to assist Palau in resolving its continuing financial problems. Furthermore, the quarterly apportionment of funds for all the entities had been liberalized to accommodate their needs early in each fiscal year. None the less, it remained the position of the Administering Authority that the Micronesian Governments alone were responsible for any debts they might incur.

58. In order to diversify the fiscal base and to finance economic development, all four entities now levy import duties, with the heaviest burden falling on non-essential consumer goods.

# C. International trade

59. The trade statistics for 1983/84 are as follows:

	Exports	Imports
	(Thousands of Unit	ed States dollars)
Northern Mariana Islands	500	131 450
Federated States of Micronesia	1 632	8 868
Marshall Islands	3 143	20 694
Palau	250	14 700

- 60. The Trust Territory continues to benefit from the provisions of Headnote 3A of the United States Tariff Code, allowing duty-free entry into the United States of products exported by the Trust Territory. In a further effort to develop the export sector, business organizations are invited to the Territory to familiarize themselves with various investment opportunities.
- 61. Should the constitutional Governments wish to take other measures, such as the establishment of a customs union, the Administering Authority has stated its willingness to provide them with technical assistance.

#### D. Land

- 62. During the period under review, a special technical assistance programme was established between Palau and the United States Department of the Interior, which contained the following elements:
  - (a) A \$20,000 grant to evaluate and appraise the lands in Koror;
- (b) A \$20,000 grant to purchase and install a computer terminal and printer at the Division of Lands and Surveys, and to hold a course in computer operation for the staff;
- (c) Loan of a special legal adviser/consultant to assist the Lands and Surveys Division in determining where improvements or changes are needed;
  - (d) Loan of a legal consultant to the Land Commission;
- (e) Drafting of new legislation for consideration by the Palau National Congress to replace existing law governing the determination of land ownership.

T/L.1244 English Page 14

- 63. A registration team to determine titles of ownership of land for the Inner Faichuk area of Truk in the Federated States of Micronesia was established in January 1984.
- 64. The Pohnpei Land Commission reviewed several hundred parcel cases and took appropriate action on many of them. It also began preliminary planning and programming for possible implementation of the Land Title Surveys and Registration Programs for the atolls of Nukuoro, Ngatik and Pingelap.
- 65. In the Northern Mariana Islands, the Division of Lands and Surveys surveyed all private lands affected by the Rota Airport road project. Also, survey requests of the Department of Public Works for its capital improvement projects were honoured and completed, including deep water wells, roads and highways, easements and land boundaries.

# E. Agriculture and forestry

- 66. Agriculture, mainly in the form of subsistence farming, is the most important economic activity in the Federated States of Micronesia. The primary objective of the Government's technical assistance programme is to encourage the production of both subsistence and export crops.
- 67. The United States Department of Agriculture (USDA) assisted the Federated States in conducting a soil survey, a forestry volumetric survey and a livestock survey during the period under review.
- 68. The copra industry in the Federated States is regulated by the Copra Development Authority (CDA) an autonomous government agency whose purpose is to stabilize the price received by copra producers in order to protect them from variations in the world market price. The Authority is responsible for overseas marketing of copra produced in the Federated States.
- 69. Copra production in the period from February 1977 to October 1984 amounted to 32,264 metric tons, yielding total receipts of \$14.2 million. Of that amount, \$9.1 million represented copra producer earnings, \$4.0 million shipping and other costs and \$1.1 million net profit to CDA.
- 70. In the Northern Mariana Islands, agricultural and forestry development is the responsibility of the Government Department of Natural Resources. Among other activities, the Department uses a fleet of tractors and bulldozers to assist farmers in opening up new lands for exploitation and in cultivating their existing crops. It also operates an extension service providing farmers with information on agricultural methods and technologies, and a forestry service which has initiated numerous projects in areas such as biomass experimentation, fruit tree production, forest fire and erosion control and forester training. Both of these services have received funding assistance from USDA.
- 71. The Department also operates an agricultural quarantine service to inspect incoming aircraft and vessels, a plant protection service dealing in pest control and disease eradication and an experimental farming station and commercial farm at Kagman on the island of Saipan.

- 72. The Northern Mariana Islands produced \$3.3 million worth of agricultural commodities in 1983/84, of which approximately 85 per cent by value was consumed domestically and the remainder exported. Agricultural imports for the same period amounted to \$582,000.
- 73. Agriculture in the Marshall Islands suffered a severe setback during 1983/84 due to an extended drought which badly damaged food crops and caused a 14 per cent reduction in copra production. The Government has undertaken planting programmes in coconut, breadfruit, bananas and lime trees to combat the effects of the drought.
- 74. In Palau, the Division of Agriculture distributed 15,979 planting materials, 190 purebred piglets and 17,373 tree seedlings during 1983/84. The Division also provided extension services and operated a feedmill, producing hog and chicken feed for distribution to local farmers at wholesale prices.
- 75. The Division maintains a forestry station at Nekken which conducts agricultural experiments, provides entomology services and assists farmers wishing to undertake small-scale cattle production.
- 76. At its fifty-first session, the Trusteeship Council, while noting that responsibility for agriculture had been transferred to the constitutional Governments, reaffirmed the duty of the Administering Authority to assist those Governments in expanding agricultural and livestock production, as well as fisheries, as a matter of priority. It expressed the hope that such assistance would enable further progress to be made in agricultural training, the establishment of a Territory-wide forestry administration, the development of external markets, land surveying and the determination of suitable crops, production methods and land utilization patterns.
- 77. The Administering Authority noted in response that forestry experts from USDA had been providing assistance in Pohnpei state and the Northern Mariana Islands, and forestry services had been established in those jurisdictions.
- 78. The Administering Authority added that many studies had been made of the soils and potential crops in the islands. Guam and Hawaii had served for several years as export markets for fish and agricultural products from Micronesia, and a concerted effort was under way to develop the Japanese market. The Administering Authority anticipated that the development plans being prepared by the Governments would address the question of agricultural development and export promotion.

#### F. Marine resources

79. Development of the Territory's marine resources is one of the foremost goals of the constitutional Governments. Although the marine resources division of the Trust Territory Government has been closed down, the Administering Authority has encouraged SPC and UNDP to provide technical aid, training and advice in fisheries development. Similar assistance is also provided for in some of the bilateral fisheries agreements negotiated by the Micronesian Governments.

- 80. Fishing in the Northern Mariana Islands consists largely of semi-subsistence activity supplemented by three to four small-scale commercial operations. Although partial surveys indicate that deep-water commercial fishing in the outlying banks of the northern islands might be economically feasible, a comprehensive assessment of marine resources has yet to be undertaken.
- 81. Fishing vessels from Japan and the Republic of Korea are currently taking about 8,000 metric tons of fish each year from waters within the 200-mile zone of the Commonwealth. The local commercial fish catch in recent years has ranged from 50 to 120 metric tons annually.
- 82. At its fifty-first session, the Trusteeship Council recognized the concern expressed by the representatives of the Northern Mariana Islands regarding fishing grounds (see T/PV.1564) and affirmed that the Administering Authority must ensure that the interests of the Commonwealth in that area were recognized and safeguarded. The Administering Authority observed in response that the United States and the Commonwealth continued to discuss their concerns relating to fisheries conservation and management within the legal framework of the Covenant and the applicable provisions of the Constitution, treaty and laws of the United States.
- 83. In 1984 over 400 foreign vessels were licensed to fish in the 200-mile extended fishing zone of the Federated States of Micronesia. Concern that traditionally harvested species could be overfished has led the Government to begin assessing alternate resources. Among these is deep-bottom snapper, for which export markets in Guam and Hawaii have been tested.
- 84. The national and state governments of the Federated States have joined in creating a National Fisheries Corporation to help establish a large-scale tuna industry, to recruit technical support staff and to investigate the possibility of forming joint ventures with foreign fishing corporations. The governments have also drafted a formal plan for marine resources development over the next five years and have begun developing a computerized system for the collection and analysis of fish catch data.
- 85. In Palau, reef fish production for 1983/84 totalled 422 metric tons (220 metric tons the previous year), of which 368 metric tons were sold locally and the remainder exported. Japanese foreign aid, consisting in \$1.3 million worth of fishing boats and equipment, contributed to the increase in production. Significant progress was also made in research projects involving cultivation of turtles, freshwater shrimp, trochus and giant clams.

# G. Third United Nations Conference on the Law of the Sea

86. The Administering Authority has stated that upon termination of the Trusteeship Agreement, the constitutional Governments of the freely associated States will have full authority to sign the Convention on the Law of the Sea as part of their authority in foreign affairs under the compact of free association. The Administering Authority believes, that, until the Agreement has been terminated, it must continue to be responsible for those matters consonant with its obligations under the Agreement and applicable international law.

# H. Industry, construction and public works

- 87. The development of small industry is largely the responsibility of the individual Governments. UNDP and SPC are active in that area, and significant progress has been made in handicrafts, pepper processing, zori manufacturing and the production of soap and related products.
- 88. During the period under review, private-sector activity continued to expand in the Northern Mariana Islands concomitant with the development of the economic base. A total of 1,461 business establishments were active in the Northern Mariana Islands in 1983/84, most of which were engaged in construction, retailing and service industries. The number of manufacturers and wholesalers increased by 35 per cent from the previous year, while commercial and offshore banking had declined due to stricter banking regulations.
- 89. In 1983/84, 1984 there were 42 foreign investment companies registered in Palau (38 in 1982/83) with an aggregate investment of \$10 million (\$7 million in 1982/83).
- 90. In its annual report, the Administering Authority stated that it concurred with the Council's observation at its fifty-first session that the construction industry, by virtue of its stimulative effect on all sectors of the economy, was one of the keys to Micronesia's development. It added, however, that the local industry faced considerable constraints. For one thing, capital investment in heavy equipment required for major products was beyond the scope of small local contractors. Furthermore, the local labour market could not fully meet the requirements of large-scale projects.
- 91. In areas such as Kosrae and Pohnpei that are outside the typhoon belt, it is generally possible to use local construction materials, lumber in particular. In the rest of the Territory, however, recurrent typhoons have led to the widespread use of concrete and steel construction, which requires imported materials, highly skilled labour and specialized equipment.
- 92. Despite these constraints, the Administering Authority has encouraged the use of local subcontractors, labourers and materials whenever feasible.
- 93. During the period under review, efforts to improve the Territory's water supply were continued. Ground-water exploration and well-drilling activities were under way in Kosrae and Truk. The Kwajalein Atoll Development Authority provided funding for a desalinization plant to supply fresh water to the residents of Ebeye Island, and a similar installation was planned for Majuro. Nine new wells were drilled in the Northern Mariana Islands and preliminary work was begun on a rural water system for numerous communities scattered throughout the Palau islands.
- 94. Some progress was achieved in 1983/84 in addressing problems the Territory had encountered in generating or delivering adequate supplies of electrical power. The Northern Mariana Islands increased its electrical output by about 35 per cent between January 1983 and October 1984. Saipan, however, was still plagued by monthly power outages resulting from the inadequate capacity of the transmission lines.

- 95. During 1983/84, the Federated States of Micronesia had undertook conservation measures, renewable resource development and the purchase of additional diesel fuel generators rather than investing in large new plants equipped with fuel-oil engines. The Federated States also investigated solar energy systems and the substitution of unrefined coconut oil for diesel fuel as a means of supplying power for development projects and home consumption in rural areas.
- 96. Palau is planning to install two emergency power generators at the main station at Koror and had expanded the substation at Malakal. In the Marshall Islands, operation of a new fuel-oil power plant has eliminated the frequent blackouts that plagued Majuro Atoll and has enabled the power company to provide new hookups as requested. Ebeye and Jaluit continue to be supplied by diesel engine generators.

# I. Tourism

- 97. Tourism is one the fastest growing industries in the Trust Territory. New airline services, new hotels and a greater awareness of the benefits of controlled tourism have combined to make it the single most productive activity in the private sector in terms of income generation.
- 98. A total of 131,827 tourists visited the Northern Mariana Islands in 1983/84 (a 6 per cent increase over 1982/83), contributing over \$70 million to the local economy. At the close of the reporting period there were 657 hotel rooms in the Commonwealth, with an additional 132 rooms expected to be opened before the end of 1984.
- 99. Some 2,500 tourists entered the Marshall Islands during the review period. A new 35-room hotel was opened in Majuro, and work was in progress to expand another hotel to 150 rooms.
- 100. The Marshall Islands Government has adopted a passive policy towards tourist development, leaving it to the private sector to take initiatives in this area. It is generally agreed that tourism could provide a good economic base for the Marshall Islands. For that potential to be realized, however, considerable work would have to be done in terms of beautification, publicity and the expansion of facilities. The Government, recognizing that the industry's development requires more planning and support from the public sector, has included a chapter on tourism development in the national development plan.
- 101. The tourist industry in Palau showed considerable growth in 1983/84, with 6,120 tourist arrivals (compared with 5,332 in 1982/83) and tourist expenditures of \$4.8 million. The number of hotel rooms rose from 130 to 307 and regular airline flights from five to seven per week. Charter flights from Japan to Palau were expected to begin in late 1984. In 1983/84, the tourist industry provided 340 jobs of which 290 were held by local inhabitants and 50 by foreigners.
- 102. Although the Palau Visitors Authority was unable to launch a direct publicity programme in 1984 for lack of funds, various regional organizations and private enterprises have distributed promotional literature and engaged in other activities benefiting the tourist trade.

103. The Federated States of Micronesia, which has about 190 hotel rooms, registered 10,000 tourist entries in 1983/84.

# J. Transportation and communication

104. At its fifty-first session, the Trusteeship Council welcomed the efforts of the various entities and the Administering Authority to develop the Territory's telecommunications system, which it considered to be one of the keys to the development of Micronesia. It expressed the hope that the system would become operational throughout the Territory as soon as possible.

105. The Administering Authority reported that satellite communications were fully operational in all major centres of the Trust Territory. The Federated States of Micronesia, the Marshall Islands and Palau all had satellite voice service with the Hawaii Telephone Company in Honolulu for overseas calls. A direct satellite circuit between the Marshall Islands and Japan had been approved and installed. Palau and the Marshall Islands had free voice and teletype services to Trust Territory Headquarters in Saipan via satellite. The Federated States had declined an offer by the Trust Territory Government to establish a direct satellite link between Pohnpei and Saipan for voice and teletype services; all traffic into and out of the Federated States was therefore commercial.

106. During 1983/84, all three entities reached agreements with either the International Telephone and Telegraph Company (ITT) or RCA Global Communications, Inc. for voice and record service and for commercial telex and telegram service.

107. The functions and responsibility for public telecommunications were transferred to the Governments of the three entities during 1984. All now have their own telecommunications corporation. The Trust Territory Headquarters maintains technical oversight and provides technical assistance to the three national government communication agencies as requested.

108. In the 1984/85 budget request to the United States Congress, an additional \$2 million was requested for the Kosrae circumferential road project. Also, an additional \$2 million was made available to Pohnpei in 1984 for its circumferential road. The Administering Authority anticipated that current funding levels would be adequate for the completion of both programmes.

109. At its fifty-first session, the Trusteeship Council welcomed the opening of airports at Truk, Yap, Kosrae and Palau, and expressed the hope that various related facilities would soon be completed and fully operational.

110. The Administering Authority informed the Council that in the 1984/85 budget request, funds had been programmed for construction of airport terminals in the four states of the Federated States of Micronesia, and that additional funding had come from the Federal Aviation Authority (FAA). In addition, FAA funding for 1984/85 and beyond would be used to upgrade navigational aids and safety features for all the airports in the Trust Territory. Under the compact of free association, the FAA grants would be continued for the new emerging Governments.

- 111. During the reporting period, the new 1,830 metre runway in Pohnpei, one of the major capital improvement projects under the Officer-in-Charge of Construction, was in the process of being completed and turned over to the state government for operation and maintenance.
- 112. Air service to Kosrae is expected to be increased once the airport paving project for the state is completed in December 1985. In addition, the Administering Authority expects that additional air service from Hawaii and the Marshall Islands will be available once approval is given for other airlines to service this route. Plans are being developed for improved air service within the Federated States of Micronesia, specifically the outer islands, as an outcome of studies that are under way for regional transportation and shipping within the Trust Territory. These reports were sponsored by UNDP, the United Nations Multi-National Inter-Disciplinary Development Advisory Team (UNDAT) and Trust Territory planning agencies.
- 113. The airline industry has also increased its services to Palau, with Air Micronesia increasing its services from four to five flights a week and Air Nauru increasing its services to twice a week. South Pacific Island Airways' weekly flight was temporarily grounded by FAA but it was expected to resume service in the near future, providing direct service to and from Honolulu. Aside from these regular air services, the Government of Palau awarded Japan Air Lines the operation of charter flights into Palau, starting in late 1984.
- 114. In the Marshall Islands, two more airstrips were completed during the year under review, making it possible for most of the islands and atolls to be served by the Airline of the Marshall Islands. The airline now provides regular weekly flights from Majuro to 28 islands and atolls. The airline also provides medical evacuation and essential government services.
- 115. The regional Micronesian Shipping Commission, composed of members from the Federated States of Micronesia, the Marshall Islands and Palau, continues to operate as the authority over shipping service operations in Micronesia. Eight companies (five foreign and three local) were granted entry insurance by the Federated States of Micronesia, commencing 1 August 1984. The Government of the Federated States owns six vessels, five assigned to the states for administrative and social services and one to the national Government as a relief and general purpose vessel, including transportation of heavy equipment between the states and from the state centres to the outer islands.
- liner service by Pacific Micronesia and Orient Lines as well as Matson Lines from the West Coast of the United States; by Nippon Yusen Kaisha Lines, Kyowa Line and Tiger Lines from Far Eastern ports; and by Nauru Pacific Lines from Australia and other Pacific island ports.

#### IV. SOCIAL ADVANCEMENT

# A. Human rights

117. 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 to 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. The right of petition is granted and inhabitants have petitioned the United Nations and the Administering Authority.

118. In its report, the United Nations Visiting Mission to the Trust Territory of the Pacific Islands, 1982, observed that as in many other countries, because of traditional and social barriers, women in the Trust Territory were still at a disadvantage when seeking positions even when they possessed the required training. 6/ The Mission urged the authorities to continue to keep in mind the importance of women playing a full and equal part in the economic, social and political development of the Trust Territory.

#### B. Medical and health services

- 119. At its fifty-first session, the Trusteeship Council noted that responsibility for health care had been devolved to the constitutional Governments and that the Trust Territory Office of Health Services continued to act in a co-ordinating capacity, providing technical advice to the local governments. The Council urged the Administering Authority to establish a co-ordinating mechanism to continue the work of the Office after termination of the Trusteeship Agreement.
- 120. In reply, the Adminstering Authority stated that with the termination of the Trusteeship Agreement, all functions of the Trust Territory Administration would also be terminated. However, there would be continued close co-operation and communication with the United States Government through the compacts of free association and the Covenant and continued co-operation in the health field might be feasible if the parties concerned deemed it desirable.
- 121. The Administering Authority further stated that until federal laws were changed, the Office of Health Services would continue to receive federal funds and to co-ordinate with the new Governments the implementation of federally funded programmes. The three new Governments remained the sole providers of comprehensive health services, although religious missions provide varying amounts of medication and care.
- 122. The Office of Health Services is responsible for health planning and resources development, providing staff services to the Micronesia Health Coordinating Council and periodically reviewing all health services provided in the Trust Territory.

The Co-ordinating Council, the majority of whose members are consumers of health care, review triennially a territory-wide, five-year comprehensive health plan.

- 123. Because of the difficulties experienced by the Co-ordinating Council in carrying out its functions, after the decentralization of health planning functions, the Council was decentralized in 1981/82 into smaller, local units responsive to the needs of their respective governments. The Council is currently composed of 17 members, 9 from the Federated States of Micronesia and four each from Palau and the Marshall Islands. The members are organized into sub-area councils to carry out all functions previously handled by the Territory-wide body.
- 124. There are seven main hospitals in the Territory and three small hospitals, one each at Rota and Tinian (Northern Mariana Islands) and one at Ebeye (Marshall Islands), with a total of 528 beds. The hospital at Majuro includes a 30-bed rehabilitation centre. In addition, there are 173 dispensaries throughout the Territory.
- 125. At its fifty-first session, the Trusteeship Council noted with regret a claim that Palau lacked modern medical and health facilities. Nevertheless, it was pleased that the Administration had requested \$18.0 million from the United States Congress for construction of a 30-bed hospital complex, in addition to the \$860,000 that had already been provided.
- 126. At the same session, the Trusteeship Council urged the Administering Authority to improve hospital facilities on Ebeye Island. The Administering Authority stated in response that renovation of the Ebeye hospital had been completed. It further stated that a new 80-bed hospital complex at Majuro was expected to be completed by early 1985. A new hospital was under construction in Saipan at a cost of about \$30 million.
- 127. In 1984, there were 12 physicians, seven medical officers, three physicians' assistants and 76 nurses at the Dr. Torres Hospital on Saipan, which provides the bulk of inpatient care for the residents of the Northern Mariana Islands. There was also a board-certified resident physician on Rota and another on Tinian, as well as a registered nurse on Rota. In addition, there were four dentists and four dental nurses in the Northern Mariana Islands. In Palau, there were eight physicians, three dental officers and 74 nurses.
- 128. In August 1982, Truk state reported that its Western Islands were experiencing a sharp increase in diarrhoea morbidity with three deaths. The Office of Health Services responded by sending environmental health staff to Truk to investigate the cause and extent of the outbreak, which was subsequently identified as cholera. As the disease spread from the Western Islands to the capital of Truk, efforts focused on improving sanitation facilities and disinfecting water supplies. The Governor of Truk state also formed a cholera Task Force, which remained operational. A total of 849 cases of cholera and four deaths due to cholera were reported between August 1982 and June 1983. In June 1983, Truk state was declared free of cholera. The following month, a student from Truk who had recently arrived in Guam was found to be infected with cholera and the Trust Territory Headquarters Task Force was dispatched to Truk to discuss assistance. By 16 March 1984, a further 254 cases of cholera were confirmed, with no cholera-related deaths.

- 129. At its fifty-first session, the Trusteeship Council expressed concern at the continued incidence of cholera in the Trust Territory, particularly in Truk. It urged that increased attention be given to improving sanitation facilities and disinfecting water supplies, while welcoming the emphasis being placed on those measures in Truk.
- 130. The Administering Authority stated in response that cholera was endemic in Truk and that its eradication was not foreseen until the installation of adequate toilets and sewer systems under the Capital Improvement Program had been completed. During the year under review, intensive cholera preventive activities continued throughout Truk under the close supervision of a United States public health physician. No confirmed cases of cholera were reported in Truk for a number of months and, on 9 November 1984, the World Health Organization (WHO) declared Truk free of cholera.
- 131. At its fifty-first session, the Trusteeship Council noted the establishment of private dental practices in Pohnpei and the Northern Mariana Islands and private medical practices in the Marshall Islands, Palau and Pohnpei. The Council expressed the hope that that would not detract from the high standard of dental care being provided throughout the Territory.
- 132. In response, the Administering Authority stated that the former Dental Services Branch of the Office of Health Services had closed in early 1981 and that the constitutional Governments had assumed responsibility in the planning, co-ordination and administration of their dental programmes and services. The Northern Mariana Islands and Palau had private dental and eye clinics and the Marshall Islands and Pohnpei each had a medical officer in private practice. The Administering Authority noted that those private practitioners complemented, rather than detracted, from the high standard of care.
- 133. There are six central government-run dental clinics and two private clinics in the Territory and sub-clinics in Ebeye in the Marshall Islands and Ulithi in the state of Yap. The school dental health programme covers pre-school and elementary-school children. Maternal and Child Health Block Grant funds supplement programmes by providing additional dental services to expectant mothers.
- 134. At its fifty-first session, the Trusteeship Council stressed the importance of continuing efforts in the area of family planning. The Administering Authority responded that the Trust Territory Office of Health Services received a family planning grant from the United States Government. Funds were allocated to the three Governments according to population. The Office of Health Services, as well as UNDP and WHO, provided technical assistance on request from the Governments.
- 135. At its fifty-first session, the Trusteeship Council noted with concern that severe budget cut-backs of federal programmes for the training of health care professionals were likely to have a negative impact in Micronesia. It considered that, especially with termination of the Trusteeship Agreement so near, every effort should be made to provide funding for training in the health field.
- 136. In reply the Administering Authority stated that WHO continued to fund fellowships and special seminars for Micronesian health professionals. In

addition, the United States Congress had provided \$2.5 million to the University of Hawaii for a 10-year medical officer training programme in Pohnpei.

137. At its fifty-first session, the Trusteeship Council noted with concern that the cost of medical referrals for the Marshall Islands Government was expected to exceed \$5.5 million by the end of 1984 and that the latter was seeking assistance from the United States to discharge that debt. The Council urged the Administering Authority to give urgent attention to that problem.

138. The Administering Authority responded that the cost of medical referrals was met from the regular budget grant to each of the constitutional Governments and that the Administering Authority had entered into agreements with each of the constitutional Governments, delineating a repayment schedule for prior years' medical referral debts. Debts incurred by the Micronesian Governments were their sole responsibility and not that of the United States Government. The Administering Authority further stated that upon completion of a new hospital facility in the Marshall Islands, the need for medical referrals to off-island hospital facilities would be substantially reduced. Decisions concerning allocation of financial resources for medical referrals, as well as for other governmental operations were made by each of three constitutional governments for their respective areas.

139. In the Marshall Islands, a new control mechanism to identify medical referrals more accurately and phone consultations with the receiving physician in Honolulu has become part of the referral programme. In Yap, the Medical Referral Program continues to be a major expense in the departmental budget, with a total expenditure in 1984/85 of \$361,505, an increase of \$77,405 over the previous year.year. In 1984, 45 patients from Palau were referred to hospitals in Honolulu. In the Northern Mariana Islands, a medical referral programme was established to refer patients to Guam, Honolulu or the United States mainland.

# C. Community development

140. The civic action teams, with personnel and equipment provided by the United States Department of Defense and in partnership with the local governments, undertake various kinds of construction, including road, bridge and building projects. They also train Micronesians in technical skills at places where the teams operate. Each team is composed of an engineer, 11 construction specialists and a medical specialist. During the period under review, teams operated in Palau, Yap, Truk, Pohnpei and Kosrae.

- 141. At its fifty-first session, the Trusteeship Council welcomed the increased attention being given by the Trust Territory Office on Aging to the care of the elderly and considered that of particular importance in preparing for the termination of the Trusteeship Agreement.
- 142. The Aministering Authority stated in reply that the Office on Aging continued to provide services for the elderly. In preparation for the termination of the Trusteeship Agreement, area agencies on aging in Palau, the Marshall Islands and

the Federated States of Micronesia had been established; and had assumed responsibility for the local administration and management of programmes for the elderly in their respective localities. The area plans had been submitted for final approval to the Trust Territory Office of Aging, which had subsequently released funds for programme implementation.

- 143. The Trusteeship Council at its fifty-first session considered that while food aid often had a counter-productive effect, it nevertheless hoped that the Administering Authority would continue to provide such help when there was a real and demonstrable need.
- 144. In response the Administering Authority stated that as a result of the severe drought in the Trust Territory in 1982 and 1983, the Emergency Food Assistance Program had been implemented in the affected islands in Truk, Pohnpei, Yap and the Marshall Islands. The federal Emergency Management Agency had provided \$135,130 for freight costs for food to the recipient islands. The Program was expected to be continued in the Marshall Islands for the first six months of 1984/85. Although the Program did not provide sufficient quantities to meet fully the recipients' needs, it did assist in supplementing available local resources.
- 145. With regard to crime prevention, the Justice System Grant Section of the Trust Territory Attorney General's Office administers the grants provided by the United States Department of Justice for crime prevention and control activities throughout the Trust Territory. The major emphasis of that agency is on juvenile delinquency prevention and control. Implementation of applicable law is accomplished through a locally-based planning process and by awarding sub-grants and contracts for crime control and prevention in concert with local plans. In addition, the agency provides or arranges technical assistance and occasional direct service to justice system and youth-serving programmes, projects and activities.
- 146. During the period under review, each major jurisdiction developed its own Youth Development and Juvenile Justice Plan. The Trust Territory Youth Advisory Council awarded funds to public and private agencies and approved 14 projects for youth development and juvenile crime prevention and control. During the same period, the Trust Territory Juvenile Justice Program joined Guam, American Samoa and the United States Virgin Islands in a formal organization known as the Territories' Juvenile Justice Association for the purpose of assisting each other in tailoring technical assistance, training and programme development to their unique island needs. The Association met in Saipan in 1984. The amount awarded to the Trust Territory for participation in that Association was \$252,424, which was available until 30 September 1986.
- 147. During the summer of 1984, over 500 youths from all areas of the Trust Territory of the Pacific Islands participated in training programmes designed to introduce youths to the work place by placing them in various types of jobs in the public and private sectors.
- 148. The Department of Community and Cultural Affairs in the Northern Mariana Islands carries out social service functions in such areas as historic preservation, the aging programme and youth services, which are financed in whole or in part by federal funds.

- 149. In the Federated States of Micronesia, the Pohnpei Community Action Agency (Pohnpei CAA), a private non-profit corporation created in the mid-1960s, is responsible for the planning, evaluation and administration of programmes for unemployed and low-income residents of the state. It is governed by a 15-member Board of Directors composed of public officials, elected representatives of the poor, and representatives of private institutions. Pohnpei CAA received funds from the Community Services Board Grant (CSBG) to operate programmes and projects designed to increase self-sufficiency and economic opportunities for the people of of the rural areas of the state. It also serves as a link between the urban and rural populations.
- 150. In the Marshall Islands, the Ministry of Social Services is directly responsible for such federal programmes as the Community Development Block Grants Program, the Aging Nutrition Program, the Aging Geriatric Program, the School Hot Lunch Program and the Special Food Assistance Program of USDA for needy families.
- 151. In Palau, community development projects completed by the Housing Authority during the year under review included a water project and a playground. In addition, the Department of Housing and Urban Development (HUD) approved funding for farm roads and a coconut reforestation project.

#### D. Labour

- 152. In 1984, there were a total of 22,343 persons in the labour force, of whom 11,072 were employed by the government sector and 11,271 by the private sector. The labour force in the Marshall Islands numbered 4,298, of whom 1,602 were government employees and 2,696 were employed by the private sector. In Palau, out of a total labour force of 3,130, the Government employed 1,308 and the private sector 1,822. In the Northern Mariana Islands, the labour force totalled 4,755, of whom 2,282 were employed by the Government and 2,473 by the private sector. In the Federated States of Micronesia, the labour force numbered 10,160, 5,880 of whom were employed by the government sector and 4,280 by the private sector.
- 153. In July 1984, the first official unemployment survey was undertaken in the Northern Mariana Islands. The survey revealed an unemployment rate of 11.74 per cent, or 633 persons.
- 154. At its fifty-first session, the Trusteeship Council urged the Administering Authority to encourage local governments to give priority to the establishment of a co-ordinated employment policy and to facilitate free movement of labour throughout Micronesia. It welcomed the Job Training Partnership Act and expressed the hope that the job-training programme, which had been established under the Act with a budget of over \$640,000, would be continued. The Council also urged that efforts be made to expand job-related training.
- 155. In reply, the Administering Authority stated that under the same Act, training programmes were available throughout the Federated States of Micronesia, the Marshall Islands and Palau. The programmes included either on-the-job training or classroom instruction, depending on the degree of skill to be acquired. The main

thrust of the Act was to strengthen job opportunities in the private sector for the disadvantaged and unemployed citizens of the Territory.

156. The Administering Authority further reported that the current budget for the programmes had been doubled from the first year's budget and that it was expected that some 1,277 youths and unskilled adults would be trained in the year ending 30 June 1985. Approximately 500 individuals had received training under the Act mostly with the co-operation of private sector businesses which were reimbursed by by the programmes.

157. In 1983/84, 37 participants in Truk were placed with various business enterprises to train in accounting, retail operations and general business management. All were retained by their employers upon completion of training. In the Marshall Islands, of the 181 individuals who received training in agricultural techniques, fishing techniques, secretarial skills and business management, 94 per cent were placed subsequently. In Palau, 20 participants received classroom instruction in service-oriented industries, such as hotel and restaurant operations. All were hired in response to the growing demand for such workers. In Yap, 60 individuals underwent training in areas such as piggery operations, business management and fishing techniques.

158. At its fifty-first session, the Trusteeship Council noted with interest that the Pohnpei Agriculture and Trade School (PATS) was concerned principally with agricultural training. It called upon the Administering Authority to provide and co-ordinate local training facilities in that important area.

159. The Administering Authority noted in response that other government and private schools had agricultural components in their curriculum as well. Most of the governments had agricultural demonstration farms and extension programmes. The College of the Northern Marianas had a full-time agriculture instructor and USDA provided technical assistance upon request.

#### E. Housing

160. The Administering Authority informed the Trusteeship Council that an additional \$510,000 for housing loan programmes throughout the Trust Territory was awaiting approval from HUD. During 1983/84, initial funding for the housing loan programmes amounted to \$250,000 for the Federated States of Micronesia, \$250,000 for the Marshall Islands and \$80,000 for Palau and additional funding amounted to \$225,000 for the Federated States of Micronesia, \$135,000 for the Marshall Islands and \$100,000 for Palau. The total value of funds awarded to the Trust Territory by HUD under the Community Development Block Grant Program stood at approximately \$10.8 million, with approximately \$3.6 million of that amount programmed for housing rehabilitation.

161. In the Northern Mariana Islands, the Mariana Islands Housing Authority (MIHA), is a public corporation, is responsible for providing decent, safe and sanitary housing for people with low and moderate income and of carrying out federally-assisted community development activities. During the period under

review, four families received loans ranging from \$5,000 to \$40,000, with a total of \$76,500, under the reduced Direct Family Home Loan (DFHL). The Section 502 Program of the Farmers Home Administration (FmHA) received funds diverted from DFHL. Under another loan programme designed to meet the housing needs of those who do not qualify for loans from private lenders, a total of 75 loans ranging from \$25,000 to \$49,400, totalling \$3.0 million, was approved during the period under review.

- 162. Another programme provides housing assistance to owners of eligible units occupied by low-income families who pay the greater of either 10 per cent of their gross income or 30 per cent of their adjusted income in rent. During the period covered by the report, a total of 177 units were occupied by eligible low-income families and 34 additional units were completed. The total federal contribution to the rental subsidy programme for the period was approximately \$924,480. The maximum annual payment for the 177 units was estimated at \$1.10 million.
- 163. In Truk, the Truk Housing Authority (THA) provides funds for renovation and expansion of housing units. During the review period, its programme resources totalled \$553,000, of which \$476,332 was in loans receivable; more than \$60,000 was on hand; and delinquencies amounted to more than \$15,000. A total of 160 housing units were completed, with another 13 under construction.
- 164. In Palau, the Housing Authority continues to provide housing for low-income families. During 1983/84, the Authority made seven low-cost housing loans to individual families, with an aggregate amount of \$42,642. It received 125 applications for rehabilitation loans which were being reviewed. The Authority continues to operate the Section 8 Housing Assistance Program, and received \$37,428 during the period from the United States Government in housing assistance payments for the six tenants there.

#### F. Public safety

165. The Office of Public Safety Development (formerly the Trust Territory Bureau of Investigation), designs, administers and co-ordinates training programmes on law enforcement and fire prevention. According to the Administering Authority, the Office continues to place a high priority on the development of public safety programmes throughout the Trust Territory.

166. During 1983/84, the Office co-ordinated the first Trust Territory-wide fire training programme for 152 fire fighters and conducted courses at Majuro, Pohnpei and Koror for 68 public safety officers. Under its aegis, a solid core of professional public safety officers has been trained in each of the emerging Governments. A total of 60 Micronesian officers graduated from the Police Academy program; six Micronesian public safety officers graduated from the National Academy of the Federal Bureau of Investigation (FBI) at Virginia; and six Micronesian fire fighters completed courses in Maryland.

167. The Office has also prepared a comprehensive five-year public safety development plan in preparation for the termination of the Trusteeship Agreement,

and local police departments had assumed full responsibility for their respective law enforcement matters.

## G. Peace Corps

168. Peace Corps volunteers serve in the Federated States of Micronesia, Palau and the Marshall Islands at the joint invitation of the Presidents of the Micronesian Governments and the High Commissioner of the Trust Territory. During the period under review, Peace Corps volunteers in the Trust Territory numbered 97, of whom 48 were serving in the Federated States, 25 in the Marshall Islands and 24 in Palau. The Peace Corps programme in the Northern Mariana Islands was phased out in 1979. Sixteen Micronesian and four United States staff members worked at the Peace Corps headquarters in the Trust Territory, which was transferred from Saipan to Pohnpei in 1983.

169. The Peace Corps programme in Yap was suspended following joint Yap/Peace Corps evaluation of the programme in 1983. A new programme is expected to be launched in 1985. In Pohnpei, the programme increasingly emphasizes rural and outer island services such as marine resources and rural co-operatives. In Kosrae, most volunteers provide training and building skills. In Truk, emphasis has been shifted from pilot water sanitation programmes to community health education. In Palau, emphasis is placed on private sector development, while in the Marshall Islands emphasis continues to be placed outer island development.

170. In 1984, the three Governments were formally requested to decide if Peace Corps volunteers would be invited to serve under the compacts of free association since the Peace Corps' current country agreement was with the High Commissioner which would expire when the compacts went into effect.

#### V. EDUCATIONAL ADVANCEMENT

#### A. General

171. The Trust Territory Office of Education serves principally as a State education agency to co-ordinate and monitor education grants received from the United States Department of Education. The Office works closely with representatives of the three constitutional Governments to formulate and submit an annual consolidated grant proposal to the United States Department of Education. Other activities of the Office include organizing and sponsoring training programmes for local personnel in vocational rehabilitation services or special education for the handicapped. The Office also co-ordinates the Territorial Teacher-Training Assistance Program.

172. During the period under review, the Office of Education's division of vocational rehabilitation services assisted in presenting workshops and training sessions for 93 participants.

- 173. The Department of Education within each of the three constitutional Governments is responsible for the administration and supervision of educational programmes within its jurisdiction and for co-ordinating activities with the Trust Territory Office of Education, particularly with regard to federal grants.
- 174. In the Northern Mariana Islands, the Department of Education is responsible for the administration of public education. Public Law No. 3-43 charges the Department with providing free education to students from in the first to twelfth grades.
- 175. At its fifty-first session, the Trusteeship Council expressed concern at the set-backs faced by the Marshall Islands in the educational sector during 1982/83. It urged the Administering Authority to respond positively to requests from that government for assistance.
- 176. In response, the Administering Authority stated that carry-over funds from 1983 would be added to the Marshall Island's share of grants for 1984/85. The Marshall Islands would receive from the Department of the Interior approximately \$4 million in addition to regular funding for education.
- 177. The Bureau of Education in Palau continues to provide administrative support and supervision for programme planning and implementation of the curriculum, teaching, staff development and school renovation. In addition to providing general academic and vocational programmes for elementary and secondary education, which are funded by the Administering Authority, the Bureau provides special programmes and other services. During the review period, the Bureau established an Education Information Centre by installing computers for storage of information and records and installed a VHF satellite communication terminal in order to broaden access to the Pacific Network of ATS-1 users.
- 178. During the same period, the Northern Mariana Islands held its annual Flame Tree Festival. The Administering Authority reported that cultural and artistic preservation were very much in the forefront of many of the activities of the constitutional Governments.
- 179. At its fifty-first session, the Trusteeship Council noted that the Palau Museum relied for financial assistance on grants from the Palau Congress. It noted with concern that during 1982/83 the museum had been unable to carry out its planned projects due to lack of funds. It expressed the hope that measures would be taken in 1984 to redress that unfortunate situation.
- 180. The Administering Authority, in response, observed that since the Palau Museum was an organ of the Palau Government, resolution of that issue was basically one of the priorities of the Palau Government. It noted that various historical preservation programmes were available to the Palau Museum. During the past two years, the Director and Deputy Director of the Palau Museum had received international visitor grants from the United States Government, which had enabled them to observe the latest techniques in museum development in the United States and elsewhere.

181. At its fifty-first session, the Council expressed concern at the possible harmful effect of the process of development on the traditional culture of the islands. It expressed confidence that the constitutional Governments would pay due regard to that important dimension in considering future development plans.

182. In reply, the Administering Authority stated that it shared the Council's concern but noted that the development process was shaped by local decision making and establishment of priorities. It considered that preservation of traditional culture might, in some cases, be incompatible with certain development requirements and that compromises or difficult choices would have to be made. The Administering Authority reiterated, however, that the Micronesian decision-making process would make that determination.

#### B. Primary and secondary education

183. In 1983/84, 23,345 pupils were enrolled in 140 public elementary schools and 11 private elementary schools in the Federated States of Micronesia. There were 4,159 students enrolled in nine public secondary schools and five private secondary schools. There were 907 public elementary-schoolteachers and 271 public secondary-schoolteachers with a further 144 teachers in private elementary schools and 43 in private secondary schools.

184. In the Marshall Islands, 6,733 pupils were enrolled in 69 public elementary schools and 2,143 pupils in 17 private elementary schools. There were 834 students enrolled in two public secondary schools and 682 pupils in five private secondary schools. Approximately 400 teachers, counselors and administrators were employed in elementary and secondary public schools and approximately 170 in private elementary and secondary schools. According to the Administering Authority limitations on both staffing and facilities in the Marshall Islands precluded the desired expansion of secondary school opportunities. Of the 794 eighth grade students in 1982/83, only 546 (69 per cent) were enrolled in ninth grade programmes for the following school year. During the period under review, student enrolments continued to increase significantly in the Marshall Islands. Public elementary school students increased by 7 per cent (450 additional students) while private elementary school students increased by 17 per cent (an increase of 316). That increase was above the average over the past eight years and it was attributed to the return of many students who had dropped out during the prolonged drought of 1982-1983.

185. In Palau, 2,565 pupils were enrolled in 25 public elementary schools and 339 in private elementary schools. There were 780 students enrolled in the Palau High School, which is the only public secondary school, while a further 401 students were enrolled in four private secondary schools. There were 240 public elementary and secondary schoolteachers and 70 private elementary and secondary schoolteachers.

186. In the Northern Mariana Islands, there were 3,500 pupils enrolled in public and private elementary schools and a further 1,927 students were enrolled in public and private secondary schools. There were 12 public elementary and secondary schools and five private elementary and secondary schools. There were 305 public

schoolteachers, 63 per cent of whom held at least an associate of arts degree and 35 per cent at least a bachelor of arts degree.

187. At its fifty-first session, the Trusteeship Council noted with concern that many elementary school facilities in the Marshall Islands remained inadequate. It noted with particular regret that many schools lacked proper sanitary facilities and drinking water and that some had none at all. Moreover, many of the buildings appeared to be in a state of disrepair. It also noted the view of the Administering Authority that maintenance of school facilities was a local responsibility and that a programme was under way in the Marshall Islands to upgrade all school facilities. It looked forward to early improvements in that area. At the same session, the Council noted with regret the absence of a high school on Kwajalein and expressed the hope that attention could be given to the decentralization and improvement of high school facilities in the Marshall Islands, as well as in other parts of the Trust Territory.

188. The Administering Authority stated in reply that the setting of priorities for use of capital improvement funds continued to be a local government decision. The Ministry of Education in the Marshall Islands, in its submission for the five-year national development plan, 1985-1989, had developed a timetable for expanding the public secondary schools. During that period it proposed to enlarge existing facilities at Majuro and Jaluit by constructing additional classrooms and dormitories and to open two new high schools, one at Kwajalein and one in the northern islands.

# C. Higher education

189. The College of Micronesia is the principal institution for higher education in the Trust Territory. It comprises the educational institutions known as the Community College of Micronesia (CCM) located at Pohnpei; the School of Nursing at Saipan; the Micronesia Occupational College (MOC) at Palau; and the Center for Continuing Education. The primary purpose of the College of Micronesia, which offers a two-year programme, is teacher training. The Center for Continuing Education offers a programme of studies leading to an associate of science degree in elementary education.

190. In 1984/85, 470 students from the Federated States of Micronesia were enrolled in the College of Micronesia: 220 in MOC; 240 (including 70 part-time students) in CCM; and 10 in the CCM Nursing School. A number of students were enrolled on a part-time basis. In addition, the College operated Continuing Education Centers in each of the four States of the Federated States and in Palau and the Marshall Islands.

191. At its fifty-first session, the Trusteeship Council was pleased to note that support for the College of Micronesia continued to grow and that enrolment in the vocational programmes operated by MOC was the highest in its history. It noted that funding had been sought for relocation and improvement of the College of Micronesia and expressed the hope that it would be forthcoming.

- 192. In response, the Administering Authority stated that in 1983/84 the College of Micronesia had an operating budget of \$3.8 million, and had received a direct federal grant of \$1.5 million through the Department of the Interior, in addition to its other sources of financial support, including other federal grants and the three constitutional Governments. The Federated States of Micronesia contributed \$126,000 for 1983/84.
- 193. The Administering Authority added that relocation and improvement of the college had been turned over to the Government of the Federated States of Micronesia.
- 194. During the period under review, the Northern Marianas College increased post-secondary education and training by adding staff and campus facilities. The two-year college offers associate of arts degrees in elementary education, business and public administration and liberal arts; associate of science degrees in agriculture and office administration; and an associate of applied science degree in agriculture. It also co-ordinates training for nurses, tradesmen and policemen and offered adult basic and continuing education programmes. In the past, the College primarily offered evening classes. With the addition of eight full-time faculty members, the College currently offers full-time courses. Total enrolment for the three 1983/84 semesters was 880, with 40 students graduating. Most courses are offered on Saipan, with some extension courses on Tinian and Rota. In the same year, the operating budget of the College was \$630,500, which was projected to increase as its programmes expanded. The College planned to apply for full accreditation in 1985 to the Western Association of Schools and Colleges of the United States.
- 195. In 1983/84, the Olbiil Era Kelulau set aside \$100,000 for scholarships to Palauan students. In the Marshall Islands, the programme of financial scholarship assistance established by the Nitijela and governed by the National Scholarship Board has continued. During the reporting period, 90 students received assistance for study abroad. The majority attend colleges in the United States and are eligible to supplement their scholarships with other forms of financial assistance. They are expected to return to the Marshall Islands on completion of their studies.
- 196. The current annual level of United States support, through grants, to the 1,200 students from the Federated States of Micronesia attending colleges and universities in Guam, Hawaii and continental United States is estimated to be between \$4 million and \$5 million. The Congress of the Federated States supports post-secondary education through a Student Revolving Loan Fund Program, with a current funding level of \$250,000. Since its establishment in 1978, it has awarded over 1,000 loans totalling \$1.2 million. State governments in the Federated States of Micronesia support students of their respective states through their own loans and scholarships, with a total funding in 1983/84 of \$325,000.
- 197. At its fifty-first session, the Trusteeship Council urged the Administering Authority and the Governments of the Trust Territory to devise a system whereby those who received vocational training or higher education at government expense should be obliged to offer their services to the state or to a government agency for a specific period after graduation.

198. In response, the Administering Authority stated that since all scholarship support was at the local level, policies on repayment in kind or service were matters for local determination. However, the Trust Territory Office of Education was ready to offer advice on such policies if the local governments wished.

# D. <u>Vocational training</u>

- 199. At its fifty-first session, the Trusteeship Council welcomed the wide range of vocational training provided by federal agencies. The Administering Authority stated in reply that the recently funded Job Partnership Training Act programme, which replaced the former Comprehensive Employment and Training Act programme, offered in co-operation with the private sector a wide variety of vocational training opportunities to the youth of the Territory between 16 and 22 years of age (see also paras. 154-157).
- 200. In the Trust Territory there are two main educational institutions which provide full-time vocational instruction: MOC and PATS (see para. 189).
- 201. MOC is a boarding school which has offered vocational and technical training to students from all areas of the Territory since it was founded in 1969 as the Micronesian Occupational Center offering certificates and diplomas. In 1977, it became one of the two constituent colleges of the College of Micronesia. After accreditation in 1977, the college began offering two-year associate degree courses.
- 202. The College of Micronesia, in co-operation with PATS, offers teachers a two-year programme leading to an associate of science degree in secondary vocational education.
- 203. In the Marshall Islands, the public high schools also offer trades training. Students are required to study a core curriculum of courses in English, mathematics, science, social studies and introductory vocational subjects. In addition, they may elect to concentrate vocational training in three-year sequences of courses in agriculture, building trades, drafting, mechanics, home economics, sewing and commercial studies.
- 204. In Palau, there is a vocational agriculture curriculum for students in the seventh and eighth grades. During 1984, an agriculture teacher-training course was conducted for agriculture teachers from all elementary schools and a vocational rehabilitation programme provided rehabilitation training to 119 handicapped persons, 13 of whom were subsequently employed.
- 205. PATS, which is a private institution, offers a four-year course which covers agriculture, animal husbandry, construction, mechanics and domestic economy. The school has always attracted students from all parts of the Territory. The 1982 Visiting Mission was informed that there was great competition for admission and that in 1981 over 1,000 candidates had competed for the 45 places available.
- 206. During 1983/1984, the Trust Territory Office of Education continued to sponsor or co-operate with other agencies in offering several training programmes for the

handicapped. Training in accounting procedures is also provided to all local education agencies and training workshops are held for local vocational rehabilitation co-ordinators.

#### E. Teacher training

207. During 1983/84, the United States Congress authorized funding of the Territorial Teacher-Training Assistance Program for another five years.

208. In the Northern Mariana Islands, the Board of Education recently introduced a teaching certificate policy which requires teachers to obtain at least an associate of arts degree in order to continue teaching. Of the 305 teachers in 1984/85, 67 had an associate of arts degree and 121 possessed a bachelor of arts degree or above. The remaining 117 teachers, who did not have an associate of arts degree, were expected to meet the Board's teaching certification policy by 1988. The Northern Marianas College, the University of Guam and the San Jose State University of California continue to offer courses to teachers, who are encouraged to take summer courses through a liberal summer leave policy. School principals annually attend professional training workshops given by the Northwest Regional Educational Laboratory. The Department of Education provides year-round in-service training workshops for instructional programme specialists and teachers. Although there has been significant progress during the past five years in student academic achievement, overall it still lags behind the norms of United States schools which themselves have received widespread criticism.

209. In the Federated States of Micronesia, a six-week summer programme for 302 of the Pohnpei state elementary schoolteachers held in 1984 and nine teachers earned associate of science degrees. In Yap, in-service training for elementary teachers was conducted and 38 per cent of the teaching staff now had an associate of science degree or higher. Of the total education staff, 40 per cent had an associate of science degree or higher and 33 per cent of the secondary school staff had an associate of science or business administration degree.

- 210. In the Marshall Islands, the majority of in-service training programmes for teachers to upgrade skills and earn college credits are federally funded and offered locally through institutions such as the University of Hawaii, the University of Guam and the College of Micronesia.
- 211. In 1983/84, the San Jose State University continued for the third year to conduct university credit courses in Palau for Palauan teachers. Other extension courses are offered by the University of Hawaii, the University of Guam and CCM. Approximately 96 per cent of the teaching force have attained associate or bachelor degrees.
- 212. At its fifty-first session, the Trusteeship Council urged that more resources be devoted to teaching the English language since termination of the Trusteeship Agreement was near. The Administering Authority was also asked to take practical steps to give Micronesians the opportunity to learn languages other than English to enable them to develop closer links with other countries and to encourage study overseas.

- 213. The Administering Authority responded that choice of curricula as well as use of supplemental funds for education programmes were determined at the local governmental level. Depending on the availability of qualified teachers, other languages which were taught included French, Spanish and Japanese. In the Northern Mariana Islands, the language arts programme contained the Comprehensive Language Arts Skills Program (CLASP) for the second to fourth grades, the Hopwood English Language Program (HELP), the Tate Oral English programme and the English portion of the bilingual programmes at project schools. The bilingual programme was designed to develop proficiency in English, Chamorro and Carolinian and to develop an understanding of cultural heritage.
- 214. In the Federated States of Micronesia, CCM, under a special services project grant, provides an intensive remedial English programme to enable students to compete successfully at the college level.
- 215. In Palau, under the bilingual education programme, five project staff members attended bilingual education training on Guam during the reporting period; four attended workshops on Guam; two teachers with project funding obtained their bachelor of arts degrees from the University of Hawaii; and several mini-workshops for parents were conducted. A Japanese language course was added to the high school curriculum. A full-time Japanese instructor was hired and approximately 100 students were enrolled in the class.

# F. Dissemination of information on the United Nations

216. At its fifty-first session, the Trusteeship Council stated that while appreciating the efforts of the Administering Authority to ensure full dissemination of information on the United Nations, it nevertheless felt that government radio broadcasts could publicize information received from the United Nations and indicate where it could be obtained.

217. The Administering Authority replied that as part of its transfer of functions to the constitutional Governments, it had relinquished all control over broadcast policy or programming on the radio stations of the Territory. United Nations materials were distributed both directly from United Nations agencies and the United Nations Information Centre at Tokyo and through the Trust Territory headquarters on Saipan. There had been close collaboration with the Centre at Tokyo to establish mailing lists to assure that the materials reached appropriate addressees, including radio stations, schools, public libraries, newspapers, governmental agencies and private individuals and organizations.

# VI. CONSTITUTIONAL DEVELOPMENT AND PROGRESS TOWARDS SELF-GOVERNMENT OR INDEPENDENCE

218. The Governments of the Federated States of Micronesia and the Marshall Islands have completed the approval process of the compact of free association, which defined their future political and economic relations with the United States following the termination of the Trusteeship Agreement. At present, the compact is

under active and exhaustive review by the Congress and final action on it is expected during 1985. The compact must be approved, however, by the Congress of the United States before its implementation.

- 219. In Palau, the executive branch of Government sought the view of its citizens on a revised compact of free association in a vote conducted on 4 September 1984. The Administering Authority considered it to be an internal referendum by Palau to achieve approval of free association in the light of Palau's own constitutional requirements. In the referendum, 66.86 per cent of the voters voted in favour of the compact; a larger majority than that obtained in the plebiscite in 1983 which was observed by a United Nations visiting mission. Nonetheless, it is the position of the Administering Authority that the compact approval process has not met the procedural requirements of Palau's Constitution. The Administering Authority stated in its report that it remained committed to assisting the Government and people of Palau in every appropriate way it could in efforts to implement their desired future political status.
- 220. The compact of free association will define the international legal status of the Federated States of Micronesia, the Marshall Islands and Palau and their respective relationships with the United States. Their Constitutions, which are now in effect subject only to the Trusteeship Agreement, provide for full self-government. The compact recognizes the sovereign right of the peoples of the Trust Territory to self-determination and their right to create and maintain governments of their own choosing. The compact also describes the rights and responsibilities of the Governments which are party to it, with particular reference to the obligation of the United States to provide for the defence of the Federated States of Micronesia, the Marshall Islands and Palau. United States economic assistance to each of the freely associated states is provided for guaranteed minimum periods at negotiated and agreed amounts.
- 221. According to the annual report of the Administering Authority, the compact is based on the agreed concept of free association articulated in the Hilo Principles which were signed and promulgated by the four Governments in April 1978. Those principles define free association as a political status different from independence. Once approved and in effect, the compact would coexist with the locally drafted and approved constitutions of what would then be freely associated states. The compact, and thus the political status of free association, could be terminated at any time by the Government of the United States or by any of the three governments.
- 222. The Administering Authority has reaffirmed its intention to take up the question of termination of the Trusteeship Agreement at the appropriate time with both the Trusteeship Council and the Security Council.
- 223. The Presidents of the Federated States of Micronesia, the Marshall Islands and Palau signed the "Saipan Accords" on 5 October 1983. The Accords provide that the Presidents will work together towards obtaining early approval by the United States Congress of the compact and the speedy termination of the United Nations Trusteeship Agreement in Micronesia. The Presidents will also support the creation of a unified College of Micronesia system composed of CCM, located in the Federated

States of Micronesia, MOC in Palau and the Nursing School to be located in the Marshall Islands. The "Saipan Accords" also commit the three Presidents to work together to facilitate immigration, extradition and the flow of goods and services among the three countries.

#### Notes

- 1/ 1984 Trust Territory of the Pacific Islands, October 1, 1983 to September 30, 1984, 37th annual report of 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 9418).
- 2/ For the conclusions and recommendations of the Trusteeship Council at its fifty-first session, see Official Records of the Security Council, Thirty-ninth Year, Special Supplement No. 1 (S/16738), paras. 209-309.
  - 3/ The local currency is the United States dollar.
- 4/ See Official Records of the Trusteeship Council, Fifty-second Session, Sessional Fascicle, annexes, document T/1759.
- 5/ 1983 Trust Territory of the Pacific Islands, October 1, 1982 to September 30, 1983, thirty-sixth 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 9379).
- 6/ For the report of the Mission, see Official Records of the Trusteeship Council, Fiftieth Session, Supplement No. 2 (T/1850).

9.12