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WESTERN MICRONESIAN LEADERS SIGN JOINT COMMUNIQUE

Koror, Republic of Palau—March 12, 2003— A Joint Communique was signed by the leaders of Guam, the CNMI, Yap State and the Republic of Palau on Friday, March 7th, committing each to a plan of regional action on a number of very important issues. Governor Juan Babauta of the CNMI, Governor Felix Camacho of Guam, Governor Robert Ruecho of Yap and President Tommy E. Remengesau, Jr. agreed to hold the ‘First Western Micronesian Chief Executives’ Summit’ in Palau to initiate a continuing dialogue on regional issues that are appropriate for joint action. The ‘First Joint Communique’ signed by the four leaders reflects the initial commitments to pursue joint action and to pursue stronger and more action oriented relationships between the four islands.

The Chief Executive Officers of the four states agreed to work on nine pressing issues over the coming year. For each issue, a ‘Focus State’ was designated. This state will be responsible for researching the issue and providing recommended actions at the next Summit, which is scheduled for September of this year. Before the follow-up summit, a quarterly report will be provided by each Focus State on each issue.

As the primary driving force in the economies of each of the four states, Regional Tourism headed the list of focus areas. Recognizing that a regional approach to tourism could greatly enhance tourism activity in each state, the Chief Executives agreed to work towards greater travel between the islands, enhanced regional promotion and the establishment of regional events to attract tourists. They also agreed to work towards bringing cruise ships to the four Micronesian islands. Finally, it was agreed that a ‘Tourism and Transportation’ summit should be held to bring many of these, and other, ideas to fruition.

A regional airline was also discussed with an emphasis on the need to increase airline competition and to thereby reduce travel costs and expand airline services. The leaders left it open as to whether such an airline would be privately or publicly owned.

The Chief Executives also discussed the need to join together to improve health care services in each of the four states. Discussion led to emphasis being placed on the following issues: establishing regional drug and equipment procurement to lower costs; establishment of a regional medical referral system that would keep referrals in the region

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and thereby reduce the huge associated travel cost; the establishment of a new regional hospital in Guam with veterans services, the sharing of medical specialties, the establishment of donor banks and the development of a Pediatric Specialty Care Center in the CNMI.

Solid Waste Management was also given a priority status by the leaders in recognition of the unique problems that the four island states have in dealing with waste due to limited landmasses and the high cost of shipping such waste. The four Chief Executive Officers stressed the need to put into place comprehensive recycling programs and to coordinate disposal efforts, including incineration capacities.

The remaining issues placed on the table for future action include: the lowering of fuel costs through joint procurement; the expansion of shipping capacity and frequency through joint negotiation with shipping lines; the development of new renewable energy options, such as Ocean Thermal Energy Conversion (OTEC), wind, solar and other available fossil fuel power generation alternatives; the development of regional trade education capacity; and the lowering of communications costs through joint efforts to assess and develop appropriate telecommunications technology on a regional level.

President Tommy E. Remengesau, Jr, the Chairman of this 'First' Summit, stated, "There is much to be done on a regional level that can bring economies of scale to our region and make us competitive with the international market. While this is only a first step, it is a very important step. If we are committed to working together, we can, in a very short period of time, bring real benefits to our people and to our businesses."

The four Chief Executive Officers also agreed to invite the Federated States of Micronesia and the Republic of the Marshall Islands to the next Summit in order to broaden the potential regional opportunities.