



Republic of Palau *Office of the President*

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Presidential Directive No. 17-26

To organize a Joint Law Enforcement Special Operation, to be called Operation Clean-Business, Sound-Tourism, to ensure a fair and sound tourism industry by cracking down on illegal business practices and activities related to tourism, and to improve compliance with the laws, rules, and regulations governing the tourism industry.

WHEREAS, the number of tourists to the Republic has been increasing over the years and is expected to increase to new levels in the coming years and that has not only offered new business opportunities but also brought about new challenges for the Government to deal with certain business establishments, operations and practices taking advantage of the Republic's business and tax regime and its effectiveness in monitoring business activities to ensure compliance to our business laws and regulations; and

WHEREAS, previous inspections revealed that there are several business operations that are operating secretively or illegally without proper permits, licenses, or certificates, and this is damaging to the stability and sustainability of the tourism industry as well as the overall economic development of the country; and

WHEREAS, the Olbiil Era Kelulau has previously recognized these issues associated with the increasing number of undesirable tourism related businesses schemes such as front businesses, operating apartments as hotels, and false marketing schemes, and has introduced a resolution calling on the President of the Republic to investigate and take necessary actions to address the situation; and

WHEREAS, it is the policy and the desire of the Government to target high-value, low-impact and sustainable tourism, as specified in the recent strategic tourism framework, and is thereby encouraging new standards to promote high quality business practices and services that will ensure sustainable tourism for the Republic; and

WHEREAS, the President has recognized the need for all relevant agencies to step up enforcement efforts to monitor and inspect business operations and activities to ensure compliance to the laws, rules, and regulations, as well as the need for all relevant agencies to assess and recommend areas of improvement to enhance compliance and if necessary improve existing regulations and policies governing the tourism industry while at the same time encouraging and promoting sound business practices and improving overall standards for the tourism industry.



NOW THEREFORE, pursuant to the authority vested in me by the Constitution, Laws, and Rules and Regulations of the Republic of Palau, I hereby direct that a Joint Law Enforcement Special Operation called, “Operation Clean-Business, Sound-Tourism”, be organized as follows:

- The mission is to organize all relevant law enforcement agencies to conduct random monitoring, inspections, investigations, and assessments of certain tourism-related business establishments, operations, activities, and practices to ensure that they are in compliance with the laws and regulations governing the tourism industry; to fine, penalize, investigate and prosecute violators; to assess tourist sites for safety and health standards; and to provide recommendations related to any of the above as necessary. The areas of concentration shall include, but not be limited to, the tourist sites at rock islands, dive sites, live-aboards, state attraction sites, the airport terminal, tourist docking stations, and business establishments including restaurants, accommodations, gift shops, clubs, bars, and any other areas as determined appropriate by the this group.
- The objectives are to encourage compliance; promote a fair and sound business environment; and encourage standards of best practices in the tourism industry to support the Government policy of attracting high-value, low-impact tourists.

1. **Membership.** Members to this Special Operation are as follows:

- a) Chief of Staff of the President, who shall serve as Chairperson;
- b) Director of the Bureau of Tourism, who shall be the Co-Chair;
- c) The Attorney General
- d) Director of the Foreign Investment Board
- e) Director of Palau Visitor’s Authority;
- f) Director of the Bureau of Immigration and Labor;
- g) Director of the Bureau of Public Health;
- h) Director of the Bureau of Maritime Enforcement and Fish and Wildlife;
- i) Director of the Bureau of Public Safety;
- j) Director of the Bureau of Commercial and Development;
- k) Director of the Bureau of Customs and Border Control;
- l) Director of the Bureau of Revenue and Taxation; and
- m) Director of Bureau of Aviation or alternative.

The Office of the Attorney General shall provide legal advice and support including the prosecution and litigation process.

The members shall assign, direct, and utilize respective officers in executing work plans for the Special Operation Team. The Team shall organize work groups as they see fit to serve the optimum level of effectiveness.

Note: In the event a member must designate a proxy, the proxy must be at the managerial or professional level of position in their respective organization with related management experience and knowledge.

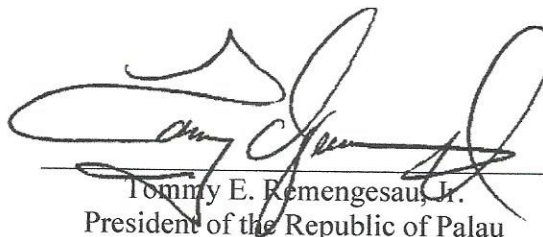


2. **Term:** This Special Operation shall be in effect immediately and shall remain in effect until such time The President officially calls for the discontinuation of this operation.
3. **Budget:** This Special Operation shall be allocated a reasonable amount of budget from a pool of available source of funds to serve its mission. The Ministry of Finance shall reprogram funds to support the activities of this Special Operation. Participating agencies shall cooperate with their available time and resources to contribute to the overall mission of this Special Operation.
4. **Powers, rights, and duties:** Members to this Special Operation shall execute and exercise normal authority, rights, and duties as provided in the mandates for their respective agencies or other applicable laws of the Republic. Such powers, rights, and duties shall include, but not be limited to, the following:
 - a. Right to inspecting individual employee/employer, places of business, and/or properties for proper licenses, permits or certificates;
 - b. Issuing warnings or citations for violations of the law;
 - c. Investigate and arrest suspects as necessary;
 - d. Assess fines, taxes, fees, and penalties as necessary against violators pursuant to the laws and regulations; and
 - e. Prosecuting offenders as necessary.

All other government agencies shall cooperate as much as possible with the activities and operations of this Special Operation team.

5. **Meetings and Reporting.** Members shall meet as frequently as possible to discuss strategies, plans and activities to carry out its mission in order to achieve its goals and objectives. Records of meetings, activities, and operations shall be kept at all times for future evaluation and reporting purposes. The team shall report to the President and the Cabinet at least once a month on the progress and the outcome of its activities.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 12th day of September, 2017 in the Republic of Palau.



Tommy E. Remengesau, Jr.
President of the Republic of Palau