



CABINET MEETING
Office of the President
Meyuns Satellite Office | 9:00 AM – 10:35 AM
Monday, March 19, 2018

In Attendance:

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| 1. President Tommy E. Remengesau, Jr. | 12. Director Melson Miko | 23. Deputy Chief Rebluud Kesolei |
| 2. Vice President Raynold B. Oilouch | 13. Director Fred Sengebau | 24. PNCC Chair Norman Ngiratecheboet |
| 3. Minister Elbuchel Sadang | 14. Director Hayes Moses | 25. Myers Techitong, PNCC HR Mgr. |
| 4. Minister Emais Roberts | 15. Director Debbie Tkel-Sbal | 26. Chief Klouldil Singeo |
| 5. Minister Umiich Sengebau | 16. Director Sterlina Gabriel | 27. Chief Lorraine Franz Etpison |
| 6. Minister Baklai Temengil-Chilton | 17. Acting Director John Tarkong, Jr. | 28. Chief Secilil Eldebechel |
| 7. Minister Sinton Soalablai | 18. PNMS Exec. Director Nick Ngwal | 29. MOS COS Jeffrey Antol |
| 8. Minister Faustina Rehuher-Marugg | 19. Exec. Director Roxanne Blesam | 30. Kaleb Udui, Jr., Senior Econ. Advisor |
| 9. Director Casmir Remengesau | 20. BNM Director Olympia Morei | 31. Ucheliou Demei, Admin. Officer II |
| 10. Director Brian Melairei | 21. SDBC Director Ltlatk Fritz | |
| 11. Director Darnelle Worswick | 22. Chief Secilil Eldebechel | |

Prepared by Rolynda Jonathan, Office of the President

AGENDA	DISCUSSION
Legislations Passed and Submitted to the President	<ul style="list-style-type: none"> • Two legislations have passed third and final reading in the OEK and submitted to the President for his review and approval: <ol style="list-style-type: none"> 1) (SB No. 10-30, SD1, HD1) – Childcare Center Bill: To regulate child care centers and for other related purposes. Copy to be submitted to MOH, MOE and MOF for their input for appropriate action. 2) (HB No. 10-15-1, HD2, SD2, PD1) – Pristine Paradise High-value Bill: The legislation was referred back. PD1 was approved by the OEK and returned to the President. MPIIC, MNRET and MOF to review and submit their input to the President for appropriate action. The President notes misinformation and explains the bill does not prevent or hinder small scale hoteliers or other hotels from operating. The objective of this bill is to prioritize and encourage investments and business operating by foreign investors in Palau to establish high-value, high-quality, five-star hotels. Through this legislation, investors are encouraged to address and construct their own wastewater systems. With the construction of proper wastewater systems, investors are eligible of up to 40% tax break. This is a public-private partnership concept that would enable investors to set up wastewater systems in areas of operation including Babeldaob where the government is unable to.
Ministry Briefings	<ul style="list-style-type: none"> • Ministry of Justice: Police training commenced at 9:00 AM today. The Vice President reports last week 15 Filipinos fishermen. PSS Remeliik picked up the fishermen after their boat broke down. They were escorted by Remeliik to the boundary between Palau and the Philippines for pick them. Declining Water Levels in Ngerimel: The Vice President reports of continued monitoring of water levels in Ngerimel Dam. At its full capacity the water level reaches 23 feet. As of last Friday, the levels were recorded at 15 feet. This morning, levels were recorded at 13.8 feet. NEC scheduled to meet this afternoon. Last week, Tebadel requested for water supply. There are no water pipes feeding this area. Fire truck and PPUC delivered water to Tebadel, Aimeliik. Ngerkeseuaol was reportedly flooded last night due to water tank overflow. Director Melairei explains water was shut off in Koror on Sunday, March 18 to repair water pipes; however Ngeruluobel continued to fill water tanks. Lack of manpower may be a result of

overflow. Vice President is working with Minister Sadang to improve process and address complaints of PPEF refund. Suggestion made to eliminate refund upon arrival.

- **Ministry of Health:** Ministry of Health is hosting a TB conference this week. Year of Good Health Committee to meet on Wednesday, March 21st to finalize all activities and programs. On March 20th, MOH to host townhall meeting in Aimeliik. Ngatpang to be hosted on Wednesday, March 21st and Echang on March 28th. Following townhall meetings, kebeas eradication to commence thereafter. 2018 Pacific Partnership to arrive on April 3rd for two weeks. Two eye specialists, one from Stanford and one from John Hopkins, are in Palau for one-week. DEH have completed assessment of all stores in Koror, Airai and Babeldaob. The agency is working with SWM to determine space to bury expired goods. Bilung inviting the public to attend health wellness to be held today at Ngarachamayong. Minister Roberts reports of an 83-year old Taiwan tourist who sustained a head injury from a fall. He was placed in the ICU and is comatose. Ambassador Tseng is working on arranging for his medivac to Taiwan. Health Assistant Program graduation confirmed for April 18th. Minister Roberts requests for attendance of PNSB in meetings to address challenges in regards to scholarships available to students.
- **Ministry of Community and Cultural Affairs:** Minister Temengil-Chilton reports of successful youth week and education awareness week and highlights major contribution from the youth on matters relating to national development and state programs. Dialogue included cyberbullying, Palauan cultural subject in education, establishing relevant school clubs, scholarships among others. Information was shared to the youth of state curfew times, eligible age for work, obtaining license, age eligibility in opening a bank account and others. MCCA to meet with Governors' Association to share results of the women's conference and youth conference. MCCA operated half-day on March 16th for clean-up efforts of historical site in Ngchesar. MCCA to participate in a Senate public hearing of bill to ban tobacco and cigarette signs. The President instructs Minister Temengil-Chilton to develop essay contest as part of every national holiday programs.
- **Ministry of Finance:** NHI Committee and Calvo's Insurance visited the hospital in the Philippines and the Republic of China-Taiwan to develop agreements and renegotiate terms of existing agreements regarding the medical referral program. SDA Hospital in the Philippines was added as part of the medical referral program. Agreement continues with Shin Kong Hospital. The hospital agreed to subsidize hospital fees and to match hospital fees for Palauan patients with that of local patients. Discussion made with Taiwan Adventist Hospital and Wanfang Hospital of possible partnership for medical referral program; however both hospitals cannot subsidize the cost of medical services as Shin Kong. Agreements have been submitted to both hospitals for review that includes regular medical fees. Both insurance, NHI and Calvo's, are working to ensure Palauans are covered following treatment through the medical referral program. The group also visited E-Da Hospital that offered lower medical service costs compared to the other hospitals. The hospital further agrees to enter into an agreement with Palau. The hospital does not perform surgeries; however there are other services available. An agreement was submitted for their review. The group further looked into the cost of executive health check-ups for NHI regulation. **Supplemental Budget Proposal:** Supplemental budget has been compiled based on all Ministries' requests. MOF seeks to meet with the President to finalize the budget request. There is urgency for submittal as the budget includes funds for the upcoming Micronesian Games and for PPUC. Ministers of all Pacific Islands Forum countries are anticipated to attend the Forum Economic Ministers' Meeting from April 25-27 in Palau. Participation also includes representatives from NGOs. Committee established in regards to preparation. **Minimum Wage Bill:** Minister Sadang met members of the Senate concerning the \$5.00 minimum wage for government employees. In their session, one Senator stated the cost for increasing the wage for government employees is about \$12 million at the minimum. Minister Sadang stated it will not cost more than \$300,000 to implement should it become law. Minister Sadang suggested for the Ministry of Finance to establish a new salary pay scale for the Senators and the OEK to adopt into the minimum wage bill as a salary reclassification. The Senators requested for Director Remengesau to develop cost analysis determining the number of employees affected by the

	<p>proposed \$5.00 minimum wage increase and of the proposed pay scale system, if adjusted. The President reminds the Cabinet of the administration’s policy direction to continue to push for the continued increase of the minimum wage for both the private and public sector. Performance Reports: Budget call for 2019 must be issued in April. All Ministers are reminded of their respective performance reports.</p> <ul style="list-style-type: none"> • Ministry of Education: MOE expresses appreciation of support for Education Awareness Week. All schools conducted activities and programs based on the Year of Good Health. Science programs such as Science Fair were conducted. 879 science projects were submitted by private and public schools. \$8,000 from PCC awarded 1st to 3rd place in all grade levels. Fourth Quarter Employee of the Year was awarded to maintenance personnel from Peleliu Elementary School. • Ministry of Natural Resources, Environment and Tourism: Minister Sengebau reports of visiting professors from Stanford University based on Palau’s participation at the International Coral Reef Symposium held in Honolulu, Hawaii. Among challenges discussed in Honolulu is of declining fish stocks. The group is set to look into food security concerning fisheries, PAN in terms of near shore fisheries and the Palau Marine Sanctuary. The group includes economists and lawyers who are looking at potentials areas for possible policy changes to improve programs and initiatives. The research and assessment conducted by the group is anticipated to be prepared in time for the Our Oceans in 2020. • Ministry of State: Minister Rehuher-Marugg reports of attending the pre-PALM meeting in Japan in preparation for PALM8. The meeting was co-chaired by Deputy Minister Takeo Mori and Samoa. The PALM8 declaration is under development. Palau’s comments have been submitted. Bilateral meeting between Minister Rehuher-Marugg and Kono conducted. Topics discussed includes Palau flagged ships, concerns of growing number of Chinese visitors in Palau, road work following conclusion of water project, air services, “Our Oceans” Conference and the visit of Peace Boat among others. Meeting also held with Kentaro Sonoura, Special Advisor to Prime Minister Abe.
<p>Other Matters</p>	<ul style="list-style-type: none"> • Upcoming State of the Republic Address: SORA is tentatively scheduled for Tuesday, April 17, 2018. All Ministers are instructed to submit points of their respective Ministries and agencies to be highlighted in the SORA. The President encourages for the SORA to highlight major policy programs of each Ministry. • Chairman Sasakawa’s Visit: The Nippon Foundation Chairman Yohei Sasakawa is scheduled to visit Palau on Thursday, April 12th. The Office of the President is working with Chairman Sasakawa’s team to determine his availability to attend and address the Joint Session on Friday, April 13th. Vice President Oilouch instructed to work with Minister Obichang and Minister Sadang to develop activities for Chairman Sasakawa’s visit. • 23rd Micronesian Islands Forum: The next MIF is scheduled for April 23-27th. The Vice President is informed of possible attendance of MIF on behalf of the President due possible conflict in scheduling of conference meeting during the same time. • U.S. Congressional Delegation Visit: Delegation of U.S. Congress led by Senator Murkowski of Alaska to visit Palau next week. The delegation includes House Representative Sablan of the CNMI and House Representative Aumua Amata Coleman Radewagen of American Samoa. The delegation to arrive on March 25th and scheduled to meet with the President on Monday, March 25th. • New Executive Director of PNMS: The President announces Nick Ngwal’s appointment as the new Executive Director of the Palau National Marine Sanctuary Office. Work is under development to institutionalize PNMS and to create the position of “Ocean Commissioner” as head of PNMS. The President encourages and urges for all Ministers’ cooperation and support, in particular the Ministry of Justice and the Ministry of NRET.

	<ul style="list-style-type: none"> • New Director of BPS: The President announces Aloysius Alonz, current acting Director of the Bureau of Public Safety, has been appointed permanently as the Director of the Bureau of Public Safety. • What the Health Documentary: The President notes the best that could come about from watching the documentary is moderation. The President reminds Ministers to allow and encourage employees to take leave for medical examination and other health services. • India Grant: MOH, MCCA and MOE are encouraged submit an application for the India grant for implementation of projects for the youth related to the Year of Good Health. Minister Temengil-Chilton reports Judy Dean presented information concerning the grant during the National Youth Day program. • PNCC Update: PNCC reports outreach program to all Ministries continues and encourages Ministers to contact PNCC of any urgent needs. PNCC continues efforts for full coverage in Ollei thereafter PNCC plans to assess the Compact Road. Drop calls are result of congestion of calls. PNCC developed a two-part plan to address cell service traffic and increase licenses of cell sites to improve services. A new site will also be installed around Maris Stella area to further improve services. • EQPB Update: EQPB Board is prepared to take action on pending permit applications, including the Aimeliik national landfill project and Ngelil Island Resort in Airai. In their last meeting, the Board approved permit application for Sheraton Hotel. • One-Stop Shop Building: Minister Sadang and Minister Temengil-Chilton to look into relocation of the Ernguul Park, possibility around the Asahi Baseball Park, to accommodate more parking space of the new Building. PVA has requested for dedicated restroom facilities for night market activities. • “Our Oceans” Executive Committee: Committee continues to work towards 2020 and are working on a strategic plan. The committee has committed to hold a meeting on the first Wednesday of every month at 9:00 AM. Ministers with membership to the Executive Committee are encouraged to review the “Assessment of the implementation of the Palau National Marine Sanctuary” report.
<p>Reminders</p>	<ul style="list-style-type: none"> • All Ministers and Directors are reminded to “follow up” and “think outside the box” on all initiatives. • All Ministers are reminded of the upcoming events and meetings: <ol style="list-style-type: none"> 1. Leadership Meeting: Wednesday, March 21, 2018 at PICRC 2. Arrival of U.S. Congressional Delegation Visit: Monday, March 26th 3. Arrival of Chairman Sasakawa: Wednesday, April 12th 4. MOH Health Assistant Training Program Graduation: Wednesday, April 18th 5. Forum Economic Ministers’ Meeting: Wednesday, April 25-27th in Palau

***Meeting minutes are subjected to change and approval**