



CABINET MEETING
Office of the President
 Ngerulmud | 9:24 am – 11:09 am
 Monday, March 27, 2017

In Attendance:

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. President Tommy E. Remengesau, Jr. 2. Vice President Raynold Oilouch 3. Minister Billy Kuartei 4. Minister Elbuchel Sadang 5. Minister Emais Roberts 6. Minister Charles Obichang 7. Minister Umiich Sengebau 8. Minister Sinton Soalablai 9. Director Brian Melairei, Public Works 10. Director Sunny Ngirmang, Arts & Culture | <ol style="list-style-type: none"> 11. Director Omtai Ringang, Public Safety 12. COS Secilil Eldebechel 13. DCOS Reblud Kesolei 14. Exec. Director Keobel Sakuma, PNMS 15. Grants Coordinator Judy Dean 16. Kaleb Udui, Jr., Senior Economic Advisor 17. Harley Fletcher, NDBP Commercial Loan Manager 18. Jerry Nabeyama, PNMS Project Coordinator 19. Anthony Rudimch, PPUC Water Project Manager 20. Isebong Rengulbai, PPUC PIO |
|---|---|

Prepared by Rolynda Jonathan, Office of the President

AGENDA	DISCUSSION
Status of Environmental Impact Fee (EIF) Bill	<ul style="list-style-type: none"> • President announces the Senate and House of the Delegates have reached a consensus and agreed to pass PD1. <ul style="list-style-type: none"> - This version will postpone the implementation of the EIF and rename the EIF to “Pristine Paradise Environmental Fee (PPEF)” without a specific date for implementation. The date will depend on the Minister of Finance. - The bill also earmarked some funds for aviation operation as justification for the International Air Transport Association (IATA) to incorporate into airline ticketing. - Funding to state governments, the Marine Sanctuary and the Pension Plan will remain. - The OEK is expected to pass PD1 today, March 27.
Status of FY2017 Annual Budget	<ul style="list-style-type: none"> • President: We intend to sign it with some item-reductions. <ul style="list-style-type: none"> - We got everything we requested and more. - Controversial increases contained in the budget include increases by both houses – \$200,000 for House and \$150,000 increase for the Senate. - President reiterated intention to focus direction on needs rather than population as stated during the inauguration. Koror State who is working on a \$16 million budget is mentioned as an example. - Budget to private schools increased as well as some capital improvement projects (CIP). - President reminds the whole of the general practice to work towards 10% as a cushion for the end of the year. The practice is emphasized to prevent overdraft and deficit at the end of the year.
NDBP Progress Report of Agri/Aquaculture Mega Loan Program	<ul style="list-style-type: none"> • \$700,000 worth of loans has been approved thus far. <ul style="list-style-type: none"> - NDBP is facing challenges in disbursing fund. Among those challenges is EQPB application and permitting process. - NDBP is coordinating efforts with EQPB, Bureau of Marine Resources, Bureau of Agriculture and other relevant agencies to conduct a joint outreach program to states. Schedule has not been confirmed, but the idea is for the program to commence in Ngarchelong moving down to Angaur. • President requests NDBP to take part in the 11:00 am joint meeting with EQPB today, March 27.



	<ul style="list-style-type: none"> - President requests for participation from housing as well.
<p>PPUC Progress Report of Water & Sewer Improvement Projects</p>	<ul style="list-style-type: none"> • Water project is ongoing and progressing in the following areas: <ul style="list-style-type: none"> - Ngerbechedesau - Dngeronger - Ngerbeched (Desekel Area) – One lane is being maintained in coordination with BPS. - Medalaii in front of CIP to Koror - PPUC conducting a follow up with Bureau of Public Works on the survey of Malakal. Report anticipated for release today, March 27 or tomorrow, March 28. • Water outage from 9:00 am – 1:00 pm was a scheduled water outage. PPUC disseminated announcement in regards. <ul style="list-style-type: none"> - Another scheduled water outage scheduled for Wednesday, March 29. PPUC is considering postponing the outage. • President requests PPUC to fill up potholes, which are causing traffic delays. <ul style="list-style-type: none"> - PPUC reports pavement and pothole fill up is scheduled to begin later this week starting from PVA. - Vice President expresses concern of road conditions in Airai and requests for PPUC’s attention on the matter. • Sewer project component in Meketii is progressing. <ul style="list-style-type: none"> - PPUC working in collaboration with the Ministry of Finance and the CIP Office to move containers and prepare site for the commencement of the project sometime this week or next week. - Contractors are ready to commence project component in the PPR site, however PPUC is coordinating efforts and discussion with PPR in regards due to required closure of one lane for safety reasons. The closure is for a period of two-weeks. • PPUC Proposal to Postpone Project Deadline <ul style="list-style-type: none"> - PPUC working on submitting proposal to JICA ODA requesting to postpone project deadline. - Reasons for proposed postponement include issue of secondary road laterals as well as for the project completion to coincide with the completion of the sewer project for full restoration and pavement of road. - <i>President instructs Minister Obichang to arrange meeting with PPUC board and management regarding the proposed delay.</i> President: The proposal to postpone the deadline of a major project could jeopardize other projects with Japan. • Ministry of Health Request for Generator <ul style="list-style-type: none"> - PPUC reports a generator has been identified and assessed. It has been determined to have enough capacity to meet the hospital’s energy demand. - The generator costs about \$2 million. PPUC to work on putting it together. • Status of UAE/Mastar Project in Peleliu <ul style="list-style-type: none"> - Grants Coordinator Judy Dean reports Mastar has forwarded documents for signature. At this stage, PPUC CEO Isechal is waiting for an assessment from Bill Ridpath of all documents whether to sign or not. He has yet to sign the documents. The new generator is part of the variation order. Once we sign off on the variation order they are bound to complete it. The documents require signatures from CEO Isechal and Minister Sadang. - <i>President instructs Minister Sadang to seek funding to cover the cost of new housing extension at Peleliu Power Plant valued at \$150,000.</i> - <i>President instructs Minister Sadang and Minister Obichang to follow up on the agreement. Additionally, Minister Obichang is instructed to follow up on the reserve osmosis system with a floating device donated to Peleliu.</i>



	<ul style="list-style-type: none"> ● Creation of Taskforce to focus on Palau's Nationally Determined Contributions (NDC) <ul style="list-style-type: none"> - President announces intention to create taskforce that will focus on achieving Palau's NDC. The taskforce will include PPUC. - President: It is time we look into public-private partnership to achieve the goal of 45% renewable energy by 2025. If we are to implement renewable energy, a more coordinated and collaborative effort is required. - PPUC reports Kennard Sugiyama who is in charge of PPUC's renewable energy office has been informed of the proposed taskforce and the President's intention. - Grants Coordinator Dean reports capacity building for PPUC and Energy Office is needed in regards. An energy expert is needed. Grants Office is looking into several options in this respect. Efforts in this respect as well as upcoming or ongoing renewable energy projects including JICA-PPUC national grid upgrade project and upcoming visit by USAID mentioned. - <i>President instructs Grants Coordinator Dean to seek funding opportunities for an energy expert.</i>
Ministry Briefings	<ul style="list-style-type: none"> ● Ministry of Finance <ul style="list-style-type: none"> - Minister Sadang anticipates on contacting Singapore and working with IATA immediately regarding the incorporation of the PPEF into airline ticketing. - Ministry of Finance working to finalize Management Action Plan (MAP) reports ahead of the State of the Republic Address (SORA) scheduled on April 13th. All Ministers are reminded to submit their reports as soon as possible. ● Ministry of State <ul style="list-style-type: none"> - Minister Kuartei requests Minister Sadang and his Ministry's assistance in addressing technical problems with accessing palaugov mail system. Minister Sadang to instruct his IT staff to address the matter. ● Ministry of Health <ul style="list-style-type: none"> - Minister Roberts reports MOH has received Zika report from U.S. CDC revealing over 38,000 cases have been diagnosed in the U.S. Territories including Palau. 1,158 total diagnoses were reported for domestic U.S. - Orthopedic Surgeon from Israel was interviewed on March 24 expressing interest to work in Palau. MOH Human Resources is working with him. His wife is an optometrist (eye doctor) and may be able to work with the hospital as well. - MOH working on scheduling a family day to coincide with opening of new summerhouse. - Shifting of patients from St. Lukes Hospital to Asian Hospital and Medical Center has displayed optimistic results particularly in patient billing. - Minister Roberts requests for direct billing of healthcare fund. Minister Sadang to work with the Attorney General's Office in regards. - Manila patient housing moving forward. Minister Sadang, Minister Roberts, two representatives from the House and two representatives from Senate to travel to Manila this week in regards. Minister Sadang reports an orientation with the Asian Development Bank (ADB) has been incorporated into their schedule. ● Ministry of Education <ul style="list-style-type: none"> - MOE working on upgrading its Food Service Program. The purpose is to increase vegetable, fish and chicken and reduce dependency on canned goods to provide healthier meals for all students. - MOE facing challenges in supplying fish to all schools. Currently, only Northern Reef Fisheries Cooperative can meet MOE's fish supply demand. - MOE aims to have at least two suppliers. - Suggestion made to utilize other states for fish supply. Minister Soalablai reports through audit required centralized schedule and uniform menu for all schools due to issues and challenges with procurement and delivery. - President suggests utilizing petty cash. Minister Sadang suggests utilizing petty cash and/or open PO. - <i>President instructs Minister Soalablai and Minister Sadang to coordinate efforts and streamline</i>



procurement process of the Food Service Program with the objective of procuring healthy local foods.

- **Grants Office**

- Grants Office working on accreditation for Palau's Green Climate Fund. Grants Office reports one of the gaps is lack of procedures for regress. There are 8 different areas that are covered not just environment.
- Grants Office stated the Office of Ombudsman is where citizens can bring their concerns on any matter to the attention of the government.
- Grants Office inquires if whether policy or procedures should be instituted at the Office of the Ombudsman or through the Bureau of Domestic Affairs under the Ministry of State.
- Suggestion made to build up the Ombudsman including the development of a website with information and process.
- In terms of the adaptation fund, Palau has been encouraged to submit its application as a new readiness program is anticipated to start sometime in April.
- Grants Office is developing two proposals for the Green Climate Fund on food security and transportation.

- **Update from Kaleb Udui, Jr.**

- Kaleb continues to meet with NDBP on a weekly basis. Reports NDBP is facing challenges with shortage of board memberships.
- *President instructs COS Eldebechel to nominate members immediately – today.*

- **Ministry of Community and Cultural Affairs**

- The Archive's Office has moved to its new office in Ngerulmud. The office has announced five new positions.
- The Historical Preservation Office is working with U.S. team of the Department of Defense on bone recovery this week. The team is here until March 31. Because of equipment challenges in relation to the hospital's hyperbaric chamber, the team changed its scope of work on land in Aimeliik, Airai and Ngeremlengui instead of underwater. Suggestion made to draft communication regarding use of hyperbaric chamber relating to U.S. team's underwater survey.
- HPO continues to work with Japanese team in Peleliu. Over 1,000 Japanese remains have been identified near landfill in Peleliu. Scope of work was extended in regards. Survey included map and oral records.
- UXO in Ngedebus: Japan is working with JMAS in regards. Surface not to exceed 30 meters of excavation.

- **Ministry of Public Infrastructure, Industries and Commerce**

- Report for buoys has been submitted to the Office of the President. Survey of domestic lanes ongoing.
- President suggests utilizing community members and/or retirees with expertise of buoy construction or repair to cut costs. *President instructs Minister Obichang to identify buoys requiring immediate repair and/or replacement as well as identify community members who can do the work.*
- Sojitz to begin on April 9. Bluebay has submitted proposal. Minister Sadang and Minister Obichang to review.

- **Ministry of Justice**

- Vice President Oilouch announces today, March 27 marks J. Omtai Ringang's first official day as Director of the Bureau of Public Safety (BPS).
- Incidents that occurred over the weekend as well as last week are reportedly family based violence. Investigation ongoing.
- Prior to BRT Building demolition, temporary office unit must be put in place. MOJ facing challenges relating to area designated for temporary office unit. Minister Sadang reports area contracted to the national government for 25 years – 6 years remains – therefore work can



	<p>proceed.</p> <ul style="list-style-type: none"> - Labor and immigration review is nearly complete with their assessment. Final suggestion and recommendation to be submitted by March 31. - Vice President expresses concern on conflicting reports between audit report and Special Prosecutor report of tax for cigarettes, etc. Ministry of Finance is aware of the matter and is working on a response. - President: The recent MOJ formation and inspection displayed officer's level of commitment and discipline. Some better than others. President suggests participation in scheduled police academy on April 9. President further recommends participation from MOH to conduct body mass index (BMI), weigh-in and physical to track progress of cadets.
Miscellaneous	<ul style="list-style-type: none"> • President requests the whole to note issues voiced by Governors at Joint Leadership Meeting held on March 23, follow up and address them for meaningful changes and improvements particularly challenges with EQPB permitting requirements and processes. • Issue with HOD Pertaining to Request by Balkuu Kumangai <ul style="list-style-type: none"> - Minister Obichang reports Balkuu drafted and submitted a letter request to the OEK for funding for the purpose of procuring bomb equipment used for diffusing and/or disposing UXOs. - Minister Obichang reports tension between the Norwegian People's Aid (NPA) and Cleared Ground Demining as a result of NPA's award of the second round of funding from the U.S. - President: Palau is no longer at the top list of countries with abundance of UXO despite recent publication. Minister Kuartei reports the said report is not accurate, and the Ministry of State is working to correct it. - <i>President instructs Minister Kuartei to draft report regarding the closure of the Cleared Ground Demining program as Palau is at the end of the 10-year program.</i>
Reminders	<ul style="list-style-type: none"> • All Ministers are reminded to "follow up" and "think outside the box" on all initiatives. • The next Cabinet Meeting is scheduled for 9:00 AM, Monday, April 3 at ARFF Station in Airai. All Directors are requested to attend.

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