



**CABINET MEETING**  
**Office of the President**  
 NEMO Conference Room | 11:41 am – 1:03 pm  
 Monday, August 28, 2017

In Attendance:

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| <ol style="list-style-type: none"> <li>1. President Tommy E. Remengesau, Jr.</li> <li>2. Minister Elbuchel Sadang</li> <li>3. Minister Baklai Temengil-Chilton</li> <li>4. Minister Charles Obichang</li> <li>5. Minister Sinton Soalablai</li> <li>6. Minister Faustina Rehuher-Marugg</li> <li>7. Minister Umich Sengebau</li> <li>8. Director Darnelle Decherong</li> <li>9. Director Brian Melairei</li> <li>10. Exec. Director Keobel Sakuma</li> <li>11. Exec. Director Roxanne Blesam</li> <li>12. Postmaster-General Timothy Sinsak</li> </ol> | <ol style="list-style-type: none"> <li>13. Press Secretary Olkeriil Kazuo</li> <li>14. Tutii Chilton, Energy Grants Coordinator</li> <li>15. Waymine Towai, NEMO Coordinator</li> <li>16. Shelly Remengesau, Spec. Assis. to VP</li> <li>17. Nick Ngwal, Spec. Assist. On Maritime Matters</li> <li>18. Norvert Villanueva, NDBP Business Dev. Mgr.</li> <li>19. Anthony Rudimch, PPUC Project Mgr.</li> <li>20. Isebong Rengulbai, PPUC PIO</li> <li>21. Daniel Klopper, Legal Counsel to the President</li> <li>22. Austin Gaylord, Legal Counsel to the President</li> <li>23. Nace Soalablai, Legislative Liaison Officer</li> <li>24. Ted Telchalb Merep</li> </ol> |
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Prepared by Rolynda Jonathan, Office of the President

AGENDA	DISCUSSION
<b>NDBP Progress Update of Agri/Aquaculture Mega Loan</b>	<ul style="list-style-type: none"> <li>NDBP reports a total of \$822,260.94 of approved loan projects for agriculture, aquaculture and animal productions to date. NDBP plans to continue outreach program to States to entice interested applicants. The President suggests NDBP to organize schedule to “bring the bank” to the States and coordinate with Governors.</li> <li>President reiterates need to dispose of funding by year’s end. The President further shares his personal small-scale kelsebuul farm project at home and suggests the Bank to consider such programs and to continue to explore other possibilities for individuals interested in agriculture, aquaculture and animal production projects.</li> <li>The President’s directive to EQPB to streamline the permitting process for loan applicants remains in place. EQPB Exec. Director Blesam shares EQPB’s participation in recent Livestock Forum where Governors of Melekeok and Ngiwal expressed deep interest for farms and pigery projects.</li> </ul>
<b>EQPB Update</b>	<ul style="list-style-type: none"> <li>For hotels, EQPB continues to work closely with FIB permitting applications, etc.</li> <li>As for quarry, EQPB reports of a quarry in Ngatpang who have yet to submit an application to EQPB but has begun operation. EQPB reports violation such as inadequate housing for workers. Surangel Quarry in Oikull and now their new quarry, the former Hawaiian Rock, is the only quarry in operation. Director Melairei reports Mr. Ha is in operation in Ngeremlengui. PNQ is also in Ngeremlengui; however there is no update at this time of their operation. EQPB has issued a permit for quarry operation in Ngchesar.</li> </ul>
<b>PPUC Progress Update of Water and Sewer Project</b>	<ul style="list-style-type: none"> <li>The Water Improvement Project is ongoing and reported 60% complete. Distribution line installation near completion. Remaining installation in Malakal, Idid and Ikelau. Ministry of Justice temporary closed off Idid road (great wall) construction site to one-lane.</li> </ul>



	<ul style="list-style-type: none"> <li>• Official completion date remains March 19<sup>th</sup>, however joint request has been made to JICA for 45-day extension. PPUC has not received official response. However, Mr. Rudimch reports JICA reviewed the request and countered reduction to 37 days. The 45-day extension is based on the lost work days due to UXO presence.</li> <li>• Sewer Project: Some materials are now available and are looking to commence in October. Sand seems to be now available at Hanpa and Surangel.</li> <li>• PPUC reports reason for water outage on Saturday is a result of repair work of a pipe crack of an existing water pipe in the road in front of the PNOG Gym.</li> </ul>	
<p><b>Dengue Update from the Ministry of Health</b></p>	<ul style="list-style-type: none"> <li>• As of today, there are 27 positive cases for the month of August 2017 for a total of 448 cases since October 2016. Over this weekend, five (5) new cases were report; 2 in Medalaii, 1 in Ngchesar, 2 in Iyebukel and 1 in Ikoranges. August cases are significantly lower compared to July's total cases of 50. Director Decherong reports MOH continues to share information in their website as well as to all local partners and agencies.</li> <li>• MOH reports of increase in cold cases. Admission level at the hospital has surpassed MOH's capacity.</li> <li>• All community health centers are now equipped with a full-time doctor during normal business hours from Monday to Friday. The President acknowledges receipt of letter from the Minister and assures funding can be identified for x-ray and others.</li> <li>• Peleliu doctor recently suffered from a mild stroke and has been relocated with his wife to Koror for recovery. While he is in recovery, the Community Center in Peleliu is manned by a nurse.</li> </ul>	<p style="text-align: center;"><b>ACTIONS TO BE TAKEN</b></p> <p style="text-align: center;"><i><b>Dengue Press Release</b></i></p> <p>a) <i>President Remengesau instructs MOH to ensure positive report and press release of dengue and zika situation.</i></p> <p style="text-align: center;"><i><b>Increase of MOH Personnel in Key Areas</b></i></p> <p>b) <i>President Remengesau instructs MOH to increase personnel in the Emergency Room and the laboratory during peak hours to prevent further spread of illness.</i></p>
<p><b>Update of the Arrangement for the 23<sup>rd</sup> Independence Day</b></p>	<ul style="list-style-type: none"> <li>• Minister Temengil-Chilton distributed proposed Independence Day activity schedule detailing Independence Day program for Saturday, September 30 with the boat race and state dinner proposed for Sunday, October 1. Minister Sadang reports \$100,000 budget was requested to fund the program.</li> <li>• The European Union who usually hosts a film festival during the Independence program requested to a three-day screening beginning on September 26. The Organizing Committee is also preparing Palau Civic Center for opening as part of the Independence Day program.</li> <li>• The program is themed as "Renewing our Dedication to Preserve and Enhance our Traditional Heritage and our National Identity". The theme based on our Constitutional preamble and the Year of the Family. Cabinet gives consensus on the theme.</li> </ul>	<p style="text-align: center;"><b>ACTIONS TO BE TAKEN</b></p> <p style="text-align: center;"><i><b>Change to Proposed Independence Day Program</b></i></p> <p>c) <i>President Remengesau instructs the Organizing Committee to move main activities to Sunday, October 1 and the boat race moved to Monday, October 2. President further suggests for the Walk &amp; Run to remain on Saturday, September 30.</i></p>



Ministry Briefings		ACTIONS TO BE TAKEN
	<ul style="list-style-type: none"> <li> <p><b>Ministry of Finance:</b> Minister Sadang reports the FY2016 audit finding on fixed assets. MOF to work with respective Ministries prior to September 30. \$6.2 million reported surplus at closure of FY2016 with an overall of \$23 million. 2% reserve is now at \$9 million. Minister Sadang reminds the Cabinet of memo regarding outside and local requisition. Outside requisition has been closed. For local RQs, closes on September 15, but emergency purchases can be accommodated until September 30. Minister Sadang further reminds the Cabinet to use up their open POs for fuel by September 30 in order to close out and to forward invoices as soon as possible to prevent carrying on debts to next fiscal year. MOF continues to issue payments to vendors within 30 days as directed. Travel policy is strict and reminds of submitting travel reports within 15-days. For the FY2018, Minister Sadang to meet tomorrow, August 29 with Senate Ways and Means Chair Senator Mark Rudimch to iron out details.</p> </li> <li> <p><b>Ministry of State:</b> Minister Rehuher-Marugg reports of Ocean Center during the SPC Conference in Noumea, New Caledonia. Minister Sengebau is part of the communiqué and Minister Rehuher-Marugg to follow up on the status. Reports of visiting seed bank in Suva, Fiji. Further reports participating in video competition hosted by the COP23 produced by her assistant in collaboration with members of the youth. MOS working with the Attorney General's office of clause in the passport.</p> </li> <li> <p><b>Ministry of Community &amp; Cultural Affairs:</b> Minister Temengil-Chilton reports of Pacific Heritage Workshop hosted in Palau this week focused on underwater cultural heritage convention. The workshop is sponsored by the UNESCO Pacific and Palau. The UNESCO Pacific Director and staff are participating. 12 countries are represented in the workshop. Minister Temengil-Chilton and Minister Rehuher-Marugg to meet with the UNESCO Pacific Director today, August 28. In her recent trip to Taiwan, Minister Temengil-Chilton reports MOU established between Palau and Taipei for sports exchange program. MCCA is also gearing up for the Mechesil Belau Conference scheduled for September 13-15. Invitation has been distributed and requests for participation from all women. Minister Temengil-Chilton requests for funding for 2018 Micronesian Games in Yap, FSM. Minister Sadang reports the budget was authorized but not appropriated.</p> </li> <li> <p><b>Ministry of Education:</b> Minister Soalablai expressed appreciation to MOF for Certificate of Excellence award for outstanding improvement and unmodified opinion for meeting program requirements. This is the second time the award has been given. MOE reports of 11<sup>th</sup> grade Palau High School student Ms. Lorinda Ikelau Uro who has been dual enrollment at PHS and PCC. The plan is for her to graduate both with a high school diploma and an associate degree at the same time. She's the first student under dual enrollment. She's qualified under the free tuition; however MOE is working with WIOA to</p> </li> </ul>	<p><b>FY2018 Budget Additions</b></p> <p>d) <i>President Remengesau instructs Minister Sadang to include \$150,000 for Peleliu generator housing cost, \$50,000 for Independence Day and \$40,000 for Palau Civic Center's furnishings in the proposed FY2018 budget.</i></p> <p><b>Palau's Bid to Host the next Oceans Conference</b></p> <p>e) <i>President Remengesau instructs Minister Sengebau and Minister Rehuher-Marugg to bid for Palau to host the next Oceans Conference after Malta.</i></p> <p><b>Release of Women Government Employees to Mechesil Belau</b></p> <p>f) <i>President Remengesau instructs all Ministries to allow women employees interested to attend the conference to take administrative leave in regards. Instruction made for letter to be produced to all Ministries in regards.</i></p> <p><b>Palau Pacific Airways (PPA) Charter to Yap</b></p> <p>g) <i>President Remengesau instructs Minister Obichang to look into the possibility of chartering PPA to Games in Yap.</i></p>



	<p>further support Ms. Uro’s financial needs. MOE continues to improve school lunch program. Canned foods are no longer served with the exception of canned tuna. Taiwan Technical Mission continues to provide free vegetable supplies to the schools. MOE reports of overflow of Angaur and Peleliu Elementary School septic tank including roofing problems. 25 water filter kits were distributed to schools. The filters were donated by the IOM.</p> <ul style="list-style-type: none"> <li>• <b>Ministry of Natural Resources, Environment &amp; Tourism:</b> Minister Sengebau reports he and Director Melairei were able to sign contract with contractor who will be constructing the new Mariculture Demonstration Center (clam hatchery). The Center to complete construction in October 2018. Contractor requests for no groundbreaking. The Center will be constructed on the same site. The project to cost under \$6 million. Port State Measure workshop commenced today with about 40 participations with exception of RMI who are due to arrive this evening. Minister Sengebau reports of challenge with working States and requests for discussion in the Joint Leadership Meeting.</li> <li>• <b>Ministry of Public Infrastructure, Industries &amp; Commerce:</b> Minister Obichang reports TSA assessed the airport last week. Outside of 64 areas, 8 remained open mainly due to accountability of keys. MPIIC in communication with them in regards to their request for lock changes every quarter. TSA agreed of key card swiping system with password change every quarter. There was no major issue reported. MPIIC reports Coast Guard assessment of the Port. There was one incident where the lead inspector’s ID card whose card expired 10 years ago and we are one of the few who detected it. MPIIC reports of the standing policy of random check and screening process of passengers. Request was made from Palau for the President to be exempted from such process. The President is exempted from the random check as well.</li> </ul>	<p><b>Press Release of Mariculture Center Contract Signing</b></p> <p>h) <i>President Remengesau instructs Minister Sengebau to work with Press Secretary Olkeriil Kazuo to produce press release in regards.</i></p> <p><b>Kabeas Eradication Project</b></p> <p>i) <i>President Remengesau instructs Minister Sengebau to establish a taskforce to tackle kabeas and to collaborate with mens group in each respective state.</i></p>
<p><b>Miscellaneous</b></p>	<ul style="list-style-type: none"> <li>• Request made by Director Melairei to the Ministry of State of passport extensions. Passport extensions are usually handwritten, stamped and signed but not updated through the magnet presenting issues during travel. <b>Road Pavement and Overlay:</b> Information shared of road pavement for Koror under grant aid states overlaying from Sansaro, Ngermid to Ice Box. Because of PPUC’s request to JICA to delay completion date in accommodation of the KASP project for full road repavement, the Japan Government says it can’t be done, but deductive change can be discussed such a removing the overlay from the contract. Through this, PPUC looked into the ADB KASP project. The project indicates major main road work is from Palasia to Ice Box. With the existing contract with Japan for the water project, we can overlay from Sansaro, Ngermid to Palasia. The Palasia to Ice Box may then be removed. Unofficial discussion with JICA considered that distance</li> </ul>	<p><b>ACTIONS TO BE TAKEN</b></p> <p><b>One-Stop Shop Building</b></p> <p>j) <i>President Remengesau instructs Director Melairei to move forward and finalize design for One-Stop Shop Building.</i></p>



	<p>(Palasia to Ice Box) to Airai to overlay Ngeruluobed towards Koror. Study completed by PPUC and Consultant indicates the trade-off for overlay means we are able to pave from Ngeruluobed to Airai Side and then from Ngermid intersection to Ngetmeduch (Roman Yano’s Residence). Discussion ongoing in regards.</p> <ul style="list-style-type: none"> <li>• Minister Temengil-Chilton requests for renovation of Old Age Center. Director Melairei and staff have assessed the Center, but no design yet.</li> <li>• PHA housing program ongoing with about 60 loans approved. Some challenges still presented including lack of contractors. President reports discussion with Director Melairei for duplex project. For now, the Airai land remains.</li> <li>• <b>BSCC Update:</b> Cable ship to connect the fiber optic cable is scheduled to arrive on Friday, September 1. Will remain in the Malakal Port for the day before moving to Ngeremlengui to splice the main SEA US cable to the pre-lay cable in Ngeremlengui. The ship invited the leadership for tour on Friday, September 1.</li> <li>• <b>Palau Post Office:</b> Postmaster-General Sinsak reports latest information received of mail fraud. Eight (8) new arrests have been made in regards. In January 2018, U.S. Custom Border and Protection will be able to electronically access mail information of packages sent out from Palau. However, Palau Post has requested for USPS to hold off for Palau until connection of high-speed internet enables Palau Post staff to fill out Customs forms online. Palau Post also continues to work on reintroducing affordable flat rate costs. Palau Post is working ROC for new stamp. The new stamp is planned of unveiling next year.</li> <li>• <b>Jeraldine Tudong Appointment:</b> The President requests for the Cabinet’s support and lobby of appointment of Ms. Jeraldine Tudong as Ambassador to the European Union.</li> <li>• <b>Airport Expansion Project:</b> The President requests for everyone’s support in explaining the Airport project.</li> <li>• <b>Ted Techalb Merep to PPUC Board:</b> The President requests for the Cabinet’s support and lobby of Techalb’s reappointment to the PPUC Board of Directors.</li> </ul>	<p><b>Old Age Center Renovation</b></p> <p>k) <i>President Remengesau instructs Director Melairei to put together design for renovation and include project with Taiwan Stimulus.</i></p>
<p><b>Reminders</b></p>	<ul style="list-style-type: none"> <li>• All Ministers are reminded to “think outside the box” and “follow up” on all initiatives.</li> <li>• All Ministers are requested to prepare the following matters for update at the upcoming Joint Leadership Meeting with the 10<sup>th</sup> OEK, Rubekul Belau, Governors and Speakers scheduled for August 29<sup>th</sup> at 11:30 am:             <ol style="list-style-type: none"> <li>1. Vice President to led discussion on the U.S. defense proposal for maritime domain awareness and aerial domain awareness systems</li> </ol> </li> </ul>	



	<ol style="list-style-type: none"><li>2. Update on the Palau Energy Summit and where we will go from here</li><li>3. Update on the Palau International Airport expansion and renovation project</li><li>4. Update on dengue status</li><li>5. Update on the Independence Day program</li><li>6. Update of FY2016 surplus</li><li>7. Update of Road Pavement</li></ol> <ul style="list-style-type: none"><li>• The President requested for attendance of PNCC in the next Cabinet Meeting. Cabinet Meeting schedule has been cancelled for next week. The Office of the President will notify all immediately once the schedule for the next meeting is confirmed.</li></ul>
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**\*Meeting minutes are subjected to change, and approval**