

STANDING COMMITTEE REPORT NO. 16-26

RE: C.R. NO.16-37/R&D

SUBJECT: KANDHI ELIEISAR NOMINATION TO NORMA BOARD

SEPTEMBER 25, 2009

The Honorable Isaac V. Figir
Speaker, Sixteenth Congress
Federated States of Micronesia
Second Regular Session, 2009

Dear Mr. Speaker:

Your Committee on Resources and Development ("R&D"), to which was referred C.R. No. 16-37, entitled:

"A RESOLUTION TO CONFIRM THE NOMINATION OF MR. KANDHI ELIEISAR TO SERVE AS A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL OCEANIC RESOURCE MANAGEMENT AUTHORITY (NORMA) REPRESENTING THE FSM NATIONAL GOVERNMENT.",

begs leave to report as follows:

The intent and purpose of the resolution are expressed in its title.

On September 17, 2009, the President transmitted, via Presidential Communication No. 16-64, the said resolution to Congress for its favourable action during the Second Regular Session of the 16th Congress. On the face of P.C. No. 16-64, the President is seeking Congressional adoption on the said resolution concerning the nomination of Mr. Kandhi Elieisar to serve as a member of the FSM National Government on the Board of Director of the FSM National Oceanic Resource Management Authority (NORMA).

The nominee's resume was attached to P.C. No. 16-64, which revealed that the nominee has extensive years of service with the FSM National Government. The nominee started his public service with the National Government in 1985 and has served in a number of different capacities. With the length of service and the experience he possesses, the President believed that he is well-suited for the position

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Your Committee conducted a public hearing on C.R. No. 16-37 on September 24, 2009 and has reviewed the credentials of the nominee. In attendance at the hearing were the nominee, the Executive Director for NORMA, the President's representative and members of the committee.

Chairman Roger Mori opened the hearing and welcomed the nominee and witnesses from the Executive branch and NORMA.

During the discussion on the said nomination, the Executive Director of NORMA, Mr. Bernard Thoulag, commented that currently the Secretary of the Department of Foreign Affairs Mr. Lorin S. Robert is the member of the Board that represent the FSM National Government. Since Mr. Robert's term has expired, the President has nominated Mr. Elieisar instead.

The President's representative further commented that the reason why the President has decided to nominate Mr. Elieisar instead of the current sitting member (Mr. Robert) is a result of the recommendations by the Committee on Resources and Development of the 15th Congress. According to the President's representative, the Committee had recommended that a member of the Board representing the National Government should come from the Department of Foreign Affairs, and a member on the Board should not be a cabinet member.

The committee emphasized that some of the current members on the Board sometimes argue on the fair distribution of fishing revenue, and Mr. Robert had managed to control the board members over this issue. The committee asked the nominee if confirm, what he would do in this situation.

The nominee before commenting to the question thanked the members and also thanked the President for his confident in nominating him to the position. The nominee acknowledged that the situation indicated is a challenge, and if he is confirmed, he would assess the situation and try to understand the issues involved.

The committee also inquired from the nominee on what would be the criteria to consider on the selection of an Executive Director. The nominee commented that an Executive Director must be someone who is not involved in any fishing related activities, and has a character that shows he can patiently involved in any decision making during negotiation of fishing agreements.

Your Committee also inquired whether the nominee thinks that he possesses the negotiation skills for his advantage when it comes to negotiating fishing agreements, especially with Taiwanese and Korean nationals who tend to be demanding and difficult to reach a

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compromise. The nominee indicated that as a board member, he must understand the issues being discussed for him to be able to effectively negotiate with these foreign nationals. This is something that he aspires to achieve to be a good negotiator.

Your Committee further inquired with the nominee whether he has any information on the amount of revenue realized each year on fishing agreements. The committee also inquired with the nominee whether he understands the impact on the harvesting of tuna stock. The nominee indicated that he understands that around \$15 million is realized from access fishing agreements. On the harvesting and sustaining of tuna stock, this is a concept that requires numerous efforts, a multiconventional approach; he needs to absorb all such information for him to be able to assess the situation.

Your Committee commented that currently the nominee is a diplomat with a vested responsibility to promote foreign policies for the nation. If the nominee is confirmed, it might be very difficult for him to promote foreign policies of this nation that are in conflict with fisheries development for the nation. For instance, the committee learned that some of the resident embassies had involved themselves in some fishing violations in which their nationals are involved. Would he be easily influenced if it comes to this kind of situation? The nominee indicated that if any Distance Water Fishing Nations (DWFNs) violated any fisheries laws of the nation, such DWFNs must face the consequences of their actions. The nominee indicated that his current role as a diplomat is complimentary to a role as a negotiator.

Your Committee also inquired with the nominee how he would allocate his time to fulfil he added duties and responsibilities if he is a Board member and a diplomat. The nominee commented that since the Board is not a day to day responsibility, he may have time to perform his current duties and responsibilities as a Deputy Assistant Secretary for the Department of Foreign Affairs. The committee also discussed the issue on by-catch, and asked the nominee to comment on the issue. The nominee explained about the Ecosystem Approach To Fisheries Management Report. He indicated that the report summarily explained the problem on by-catch, and how the PNA countries are confronting the by-catch problems.

The committee further inquired with the nominee whether it is good policy to negotiate with a foreign country to take control of our fishery zone in exchange of five billion dollar. The nominee commented that it is a decision that should be diligently considered for he does not want to loose our fishery zone.

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Finally, your committee inquired with the nominee and wanted him to comment on how FSM must develop its fisheries development. The nominee commented that this is a complex issue and should be collaboratively undertaken by the appropriate agencies or departments that are responsible in the fisheries areas. He further commented that ongoing fisheries projects have been considered by NORMA and FFA. For instance, onshore fishery is an example project that will support our fisheries development. In addition, studies must be taken on the security of fish stock, maximizing return and sustainability of fish stock by the relevant authorities in the FSM.

The committee had asked the nominee whether he is a member of any board and whether he has any financial holding on any fishery project. The nominee indicated that he is not a member of any Board and has no financial holding in any fishery project.

Your Committee on Resources and Development thanked the nominee for his candid answers, and is in accord with the intent and purpose of C.R. No. 16-37, and recommends its adoption.

Respectfully submitted,

/s/
Roger S. Mori, chairman

/s/
Tony H. Otto, vice chairman

Dion G. Neth, member

/s/
Peter Sitan, member

/s/
Dohsis Halbert, member

/s/
Joseph J. Urusemal, member

Paliknoa K. Welly, member