STANDING COMMITTEE REPORT NO. 18-75

RE: C.R. NO. 18-48/R&D

SUBJECT: APPROVING A \$648,948 GRANT FROM SPC

DECEMBER 03, 2013

The Honorable Dohsis Halbert Speaker, Eighteenth Congress Federated States of Micronesia Second Special Session, 2013

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was jointly referred C.R. No. 18-48, entitled:

"A RESOLUTION APPROVING AND ACCEPTING A GRANT IN THE AMOUNT OF \$648,948 FROM THE SECRETARIAT OF THE PACIFIC COMMUNITY, INCLUDING ALL THE TERMS AND CONDITIONS OF THE ASSISTANCE.",

begs leave to report as follows:

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

Congress Resolution No. 18-48 was transmitted to Congress through Presidential Communication No. 18-80 on August 3, 2013. This resolution is foreign financial assistance in the amount of \$648,948 from the Secretariat of the Pacific Community.

On November 29, 2012 your Committees on Resources and Development and External Affairs held a joint hearing regarding the above-captioned C.R. No. 18-48 with the Department of Resources and Development, the Office of Emergency and Environment Management (OEEM), the Office of Statistics, Budget, & Economic Management, Overseas Development Assistance & Compact Management (SBOC), and the Department of Justice.

Your Committee was informed that the overall objective of the project

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is to contribute to water security as a climate change adaptation strategy for the Federated States of Micronesia. The purpose is to contribute to increased access and sustainable use of quality water in the outlying islands of FSM States.

For this GCCA: PSIS project, the Government of the FSM, through its Climate Change Country Team, focus on selected outlying islands of Yap and Chuuk States because the populations in Yap and Chuuk's outlying islands have been suffering from climate sensitive water shortage and quality issues.

The key result areas of the project include: (1) education and awareness on sustainable water use and conservation in the context of climate change enhanced in the FSM, (2) improved water infrastructure for catchment, storage and emergency services in place in at least one outlying island in Yap State, (3) household and communal water systems maintained, monitored and managed sustainably in at least one outlying island of Yap State, and (4) improved information on available water resources in at least five outlying islands of Yap State.

The Director of OEEM indicated that Yap and Chuuk States were selected, but there were some problems with the implementation of the projects in Chuuk. In Yap, the project will enhance water catchment and storage, together with improved access to emergency water supply in Fais Island. He also indicated that after the FSM is successful in the completion of this project, then there is a track record to prove that the FSM can implement more projects and continue to receive funding.

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The following is a breakdown of the funding:

- 1. Education and awareness on sustainable water use and conservation in the context of climate change enhanced in the FSM- \$50,000
- 2. Improved water infrastructure for catchment, storage and emergency services in place in at least one outlying island of Yap State \$240,000.
- 3. Households and communal water systems maintained, monitored and managed sustainably in at least one outlying island of Yap State \$85,000.
- 4. Improved information on available water resources in at least five outlying islands of Yap State \$110,000.
- 5. Contingency \$45,000.
- 6. Allocated to Chuuk State \$130,000.

Your Committee on Resources and Development is in accord with the intent and purpose of C.R. No. 18-48 and recommends its adoption in the form attached hereto.

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Respectfully submitted,

/s/ David W. Panuelo
David W. Panuelo, chairman

/s/ Tiwiter Aritos
Tiwiter Aritos, member

/s/ Florencio S. Harper
Florencio S. Harper, member

/s/ Joseph J. Urusemal
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/s/ Paliknoa K. Welly
Paliknoa K. Welly, member