

STANDING COMMITTEE REPORT NO. 20-85

RE: C.R. No. 20-87/R&D

SUBJECT: PROTECTED AREAS NETWORK NATIONAL GUIDING POLICY
FRAMEWORK (PAN POLICY FRAMEWORK)

SEPTEMBER 26, 2018

The Honorable Wesley W. Simina
Speaker, Twentieth Congress
Federated States of Micronesia
Fifth Regular Session, 2018

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was
referred C.R. No. 20-87, entitled:

"A RESOLUTION APPROVING AND ADOPTING THE PROTECTED AREAS
NETWORK NATIONAL GUIDING POLICY FRAMEWORK FOR THE
NATIONAL GOVERNMENT OF THE FEDERATED STATES OF
MICRONESIA.",

begs leave to report as follows:

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

Congressional Resolution No. 20-87 was transmitted to
Congress on April 16, 2018, through Presidential
Communication No. 20-213. C.R. No. 20-87 is a resolution on
the Protected Areas Network National Guiding Policy Framework
("the policy"). Enclosed with Presidential Communication No.
20-213 is the policy.

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The policy contains several sections. Section 1 of the policy enumerates the authority of the FSM Department of Resources and Development, as described in title 2 of the Code of the Federated States of Micronesia (Annotated) and Executive Order Number 1, which states: *The Department of Resources and Development is responsible on the President's behalf for supporting and managing the development of the nation's economy and the use of its natural resources in a sustainable manner.*

Section 2 describes the purpose and background of the policy. In line with the Department's mandate, the policy establishes a transparent, fair, and efficient system governing the designation and operation of nation wide protected areas. It also explains the richness of the FSM's biological and diverse terrestrial and marine areas, which reminds us all to bear the responsibility for the management, protection, and development of all resources within their respective boundaries.

Section 3 of the policy defines several definitions for the purpose of the implementation of this policy.

Section 4 of the policy explains the different roles and responsibilities of the Department, State Focal Points, the Micronesia Conservation Trust (MCT), and a Technical Committee, which are identified as the group of people responsible for the implementing the Management Plan of this policy. For information purposes, the rules governing the Technical Committee are to be drafted by the National PAN Coordinator, and to be reviewed by the appropriate Executive branch agency, and approved by the Secretary. The Technical Committee is to be consisted of at least nine (9) qualified representatives including: one official from the FSM National Government, Each State Focal Point, at least one representative from the College of Micronesia-FSM, at least one representative from a regional scientific organization,

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at least one representative from an international conservation NGO and/or international donor organization, and one representative from MCT that will participate as a non-voting member.

Section 5 of the policy is the application process. An applicant who wishes to include a site in the Protected Area Network needs to complete an application form, which can be obtained from the department and the State Focal Points. The required information from an applicant are contained in the application. The procedures involved in the collection or review of applications are explained in this section. The Secretary of the Department of Resources and Development is authorized to make the final determination as to whether or not to accept each application.

Section 6 of the policy is the management and designated areas. Those who are responsible for activity implementation, operations and management of the protected areas are designed as part of the FSM's Protected Areas Network.

Section 7 of the policy is the financial assistance aspect of the policy, source of funds, the budget cycle, including competitive project awards, and eligibility requirement for funding. The membership in the Protected Areas Network submits annual requests for funding site operations as part of the Protected Areas Network Annual Budget Cycle. The Technical Committee may also make available a competitive grant pool for projects that support the wider Protected Areas Network. This section also provides for the criteria for reviewing competitive solicitations, notification of funding decisions, right to contest denial of budget request or grant proposal, and the issuance of agreements and disbursement of funds.

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Section 8 of the policy contains the reporting, monitoring and evaluation requirements related to the performance of the Protected Areas Network. The department is responsible to maintain national-level records related to the Protected Areas Network. The State Focal Point is responsible for the keeping state-level copies, then forward the reports to the National PAN Coordinator. MCT is responsible for the collection of all deliverables proscribed under competitive awards issued with FSM's Micronesian Challenge Endowment funds and provide a copy to the National PAN Coordinator. The department shall compile an annual summary report about the implementation of the Protected Areas Network.

Section 9 of the policy contains the Inclusions, Withdrawal, and Mediation Procedures. The Secretary of the Department of Resources and Development with good cause may propose that a Protected Areas Network site be removed from the Protected Areas Network. Any dispute between one or more Management Unit and a State Focal Point and/or the National Government regarding the implementation of this policy, which is not settled by good faith negotiation, shall, at the request of one of them, be submitted for mediation.

Your Committee on Resources and Development held a public hearing on the resolution on September 24, 2018, at the Congress hearing room at 8:30 a.m. Chairman David W. Panuelo welcomed the witnesses who attended the hearing, which included: Willy Kostika, Marion Henry, Ricky Carl, Andrew Yatilman, Alissa Takasy, Cindy Ehmes, Vanessa Fread, Beliter Silbanuz, and Vera Assistant Attorney General from the Department of Justice. Members of the Committee that were present included: Victor V. Gouland and Vice Speaker Esmond B. Moses.

At the hearing, Secretary Marion Henry of the Department of Resources and Development and Secretary Andrew Yatilman of the Department of Environment, Climate Change and Emergency

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Management supported the PAN Policy Framework, as it compliments their duties and responsibilities. Mr. Willy Kostika from Micronesian Conservation Trust (MCT) and Mr. Ricky Carl from the Nature Conservancy (TNC) indicated that by adopting this PAN Policy Framework, MCT and TNC can mobilize necessary funding to support its implementation.

Importance of this Policy

It is important to note that the adoption of this PAN Policy Framework will show that the Federated States of Micronesia is committed to fulfill its obligations under several International Conventions, namely the United Nations Convention on Climate Change, the United Nations Convention to Combat Desertification, and the Convention on Biological Diversity (CBD). As a state party to the CBD, and a committed member to the Micronesian Challenge (MC) Initiative, the Federated States of Micronesia is committed to achieve the three main targets, in which the MC is driven to achieve: (1) to establish a system of protected area networks in member countries; (2) to effectively conserve at least 30% of the near-shore marine and 20% of the terrestrial resources across Micronesia by 2020; and (3) to raise \$29 million for the Federated States of Micronesia's Micronesia Challenge Endowment Fund in order to sustain these efforts in perpetuity. Although the activities relating to the conservation of our environment in each of the states are the measuring mechanism in our conservation effort, this policy's importance is in the coordination of all such conservation activities in each state.

Background

The PAN Policy Framework was formulated with the collaboration of stakeholders nationwide, including the Micronesian Conservation Trust (MCT) and the Nature Conservancy (TNC). The Department of Resources and Development facilitates the consultative process of the PAN Policy Framework with the active support and assistance of

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the Micronesian Conservation Trust (MCT) and the Nature Conservancy (TNC). The purpose of the PAN Policy Framework is to establish a transparent, fair and efficient system governing the designation of a nationwide protected areas network.

The Department of Resources and Development in conjunction with State Focal Points, the Micronesian Conservation Trust (MCT) and a Technical Committee will administer the PAN Policy Framework. The Secretary of the Department of Resources and Development will review the applications coming from the states to join the Protected Areas Network. Granting or denial of applications is based on the evaluation and recommendation made by the Technical Committee.

This policy provides for PAN Coordinators in each state, to be funded by MCT for two years. There is an interim PAN Coordinator in the Department of Resources and Development. Essentially, the PAN Policy Framework will enhance what is currently in place in the FSM, and having a PAN policy also assisting for the solicitation of outside funding for the states.

Your Committee was informed that before this policy becomes applicable to the Department, the Secretary must indicate consent to this policy, and any future amendments to this policy must be accepted by the Secretary prior to being valid.

Your Committee would like to offer the following technical amendment to read as follows:

- 1) Page 2, line 16, delete "Fourth" and insert "Fifth" in the lieu thereof.

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CONCLUSION

Your Committee on Resources and Development is in accord with the intent and purpose of C.R. No. 20-87 and recommends its adoption in the form attached hereto as C.R. No. 20-87, C.D.1.

Respectfully submitted,

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

/s/ Tiwiter Aritos
Tiwiter Aritos, vice chairman

/s/ Victor V. Gouland
Victor V. Gouland, member

/s/ Isaac V. Figir
Isaac V. Figir, member

/s/ Derensio S. Konman
Derensio S. Konman, member

/s/ Esmond B. Moses
Esmond B. Moses, member

Alik L. Alik, member