

FIFTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

THIRD REGULAR SESSION, 1988

CONGRESSIONAL BILL NO. 5-245, C.D.1,  
C.D.2, C.D.3

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AN ACT

To amend title 18 of the Code of the Federated States of Micronesia by amending sections 101, 102, 103, 104, 105, and 107 and by adding a new section 108 to establish an Exclusive Economic Zone in the ocean surrounding the Federated States of Micronesia, to expand the size of the Territorial Sea, to make the chapter consistent with the current political status of the Federated States of Micronesia, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

1       Section 1. Section 101 of title 18 of the Code of the Federated  
2 States of Micronesia is hereby amended to read as follows:

3           "Section 101. Baseline system defined. A baseline is a  
4 continuous line which encircles an island or atoll. The  
5 baseline from which the zones designated in this chapter are  
6 to be measured is as follows:

7           (1) The baseline of an island or portion of an island  
8 lacking a barrier reef, fringing reef, or other reef system  
9 is the low-water line of the island as marked on  
10 large-scale charts officially recognized by the Government  
✓ 11 of the Federated States of Micronesia.

12           (2) The baseline of an atoll or island or portion of  
13 an island having a barrier reef, fringing reef, or other  
14 reef system is a line following the contour of the seaward  
15 edge of the reef system, which line connects those  
16 outermost elevations of the reef which are above water at  
17 low tide, and which line exists as marked on large-scale  
✓ 18 charts officially recognized by the Government of the  
✓ 19 Federated States of Micronesia."

20       Section 2. Section 102 of title 18 of the Code of the Federated  
21 States of Micronesia is hereby amended to read as follows:

22           "Section 102. Territorial Sea and internal waters -

1 Defined.

2 (1) There is hereby established a Territorial Sea of  
3 twelve nautical miles breadth. The inner boundary of the  
4 Territorial Sea of each island or atoll is the baseline  
5 as defined in section 101 of this title. The outer  
6 boundary is a line, every point of which is twelve nautical  
7 miles seaward of the nearest point of the baseline.

8 (2) Waters landward of the baseline, including the  
9 lagoons of atolls or islands, are internal waters."

✓ 10 (3) ~~The sovereignty of the Government of Micronesia~~  
✓ 11 ~~extends to its internal waters and Territorial Sea."~~

12 Section 3. Section 103 of title 18 of the Code of the Federated  
13 States of Micronesia is hereby amended to read as follows:

✓ 14 "Section 103. Territorial Sea and internal waters -  
15 ~~sovereignty~~ ~~sovereignty~~ *single underline*  
16 The sovereignty of the Federated States of Micronesia  
17 extends to its internal waters and Territorial Sea,  
18 including sovereign rights over the living and nonliving  
19 resources in the Territorial Sea and internal waters and in  
20 the airspace above the Territorial Sea and internal waters  
21 as well as its bed and subsoil."

22 Section 4. Section 104 of title 18 of the Code of the Federated  
23 States of Micronesia is hereby amended to read as follows:

24 *single underline* "Section 104. Exclusive economic zone <sup>sp</sup> ~~Defined~~. There is  
25 hereby established an exclusive economic zone contiguous

1 to the ~~exclusive~~ Territorial Sea. The inner boundary  
2 of the exclusive economic zone of each island or atoll is  
3 the seaward boundary of the ~~exclusive fishery zone~~  
4 Territorial Sea, and the outer boundary is a line, every  
5 point of which is two hundred nautical miles seaward of the  
6 nearest point on the baseline as defined in section 101 of  
7 this title."

8 Section 5. Section 105 of title 18 of the Code of the Federated  
9 States of Micronesia is hereby amended to read as follows:

10 "Section 105. Exclusive economic zone - Regulation.

11 Within the exclusive economic zone, the  
12 National Government of the Federated States of Micronesia  
13 shall have:

14 (1) Sovereign rights for the purpose of exploring and  
15 exploiting, conserving and managing the natural resources,  
16 whether living or nonliving, of the waters superjacent to  
17 the seabed and of the seabed and its subsoil, and with  
18 regard to other activities for the economic exploitation  
19 and exploration of the zone;

20 (2) Jurisdiction with regard to the establishment and  
21 use of artificial islands, installations, and structures;  
22 marine scientific research; and the protection and  
23 preservation of the marine environment; and

24 (3) Other rights and duties provided for in

25 Section 6. Section 107 of title 18 of the Code of the Federated



1 States of Micronesia is hereby amended to read as follows:

2 "Section 107. <sup>single</sup> Regulations. The President of the Federated  
3 States of Micronesia may issue such ~~rules and~~ regulations  
4 as are necessary to establish the boundaries of ~~internal~~  
5 waters, the Territorial Sea, and the exclusive economic  
6 zone."

7 Section 7. Chapter 1 of title 18 of the Code of the Federated  
8 States of Micronesia is hereby amended by adding a new section 108  
9 to read as follows:

10 "Section 108. <sup>single</sup> Definitions. As used in this chapter:  
11 (1) 'Atoll' means a naturally formed reef system  
12 which has one or more islands situated on the reef system,  
13 including Ngulu, Ulithi, Sorol, Eauripik, Woleai, Faraulep,  
14 Ifalik, Olaimarao, Elato, Lamotrek, West Fayu, Puluwat,  
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16 Namoluk, Satawan, Etal, Lukunor, Minto Reef, Oroluk,  
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18 and Pingelap.

19 (2) 'Island' means a naturally formed area of land,  
20 surrounded by water, which is above water at high tide."

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1       Section 8. This act shall become law upon approval by the  
2 President of the Federated States of Micronesia or upon its becoming  
3 law without such approval.

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\_\_\_\_\_, 1988

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ATTEST:

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John R. Haglelgam  
President  
Federated States of Micronesia

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## CONGRESS OF THE FEDERATED STATES OF MICRONESIA

KOLONIA, POHNPEI, EASTERN CAROLINE ISLANDS 96941

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Speaker

ELIAS H. THOMAS  
Vice Speaker

CLAUDE H. PHILLIP  
Floor Leader

ACT NO. 5-104

(CONGRESSIONAL BILL NO. 5-245, C.D.1,  
C.D.2, C.D.3)

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Nick Bossy  
Nishima E. Yleizah  
Redley Killion  
Tony Otto

### STATE OF YAP

Isaac V. Figir  
Joseph Urusemal

We hereby certify that on November 21 the foregoing act passed Second and Final Reading of the Fifth Congress of the Federated States of Micronesia, Fourth Regular Session, 1988, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

Jack Fritz  
Speaker  
Congress of the  
Federated States of Micronesia

Henry C. Asugar  
Chief Clerk  
Congress of the  
Federated States of Micronesia



DRAFT

FIFTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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22              "Section 102. Territorial Sea and internal waters -

1           Defined.

2           (1) There is hereby established a Territorial Sea of  
3           twelve nautical miles breadth. The inner boundary of the  
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John R. Haglelgam  
President  
Federated States of Micronesia



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2 President of the Federated States of Micronesia or upon its becoming  
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\_\_\_\_\_, 1988

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~~ATTEST~~

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John R. Haglelgam  
President  
Federated States of Micronesia

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P 1st Reading  
11/18/88

E N G R O S S I N G

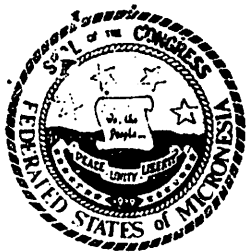
Act. No. 5-104

P 2nd Reading  
11/21/88

C.B. 5-245, 011, 012, 013  
C.R. \_\_\_\_\_

- 1 Measure as passed - proofread by: CV 11/29/88  
Date
- 2 Engrossed (typed) by: Consue \_\_\_\_\_  
Date
- 3 Engrossed Measure - proofread by: CV 12/10/88  
Date
- 4 Engrossed Measure - received & released by: \_\_\_\_\_  
Date
- 5 Transmitted by clerk: Consue 12/17/88  
Date
- 6 Received by President's Office: \_\_\_\_\_  
Date
- 7 Approved as Public Law No.: \_\_\_\_\_  
Date
- 8 Disapproved - Veto Message No.: \_\_\_\_\_  
Date

A-OK - with FLAM - SE



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

KOLONIA, POHNPEI, EASTERN CAROLINE ISLANDS 96941

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Peter M. Christian  
Vice Chairman

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Joseph Urusemal  
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TRANSPORTATION  
AND TOURISM

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Chairman

Redley Killion  
Vice Chairman

MEMBERS

Jacob Nena  
Joseph J. Urusemal

STANDING COMMITTEE REPORT NO. 5-310

NOVEMBER 16, 1988

RE: C.B. NO. 5-245

The Honorable Jack Fritz  
Speaker, Fifth Congress  
Federated States of Micronesia  
Fourth Regular Session, 1988

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was  
referred C.B. No. 5-245, entitled:

C.B. No. 5-245,

"A BILL FOR AN ACT TO AMEND TITLE 18 OF  
THE CODE OF THE FEDERATED STATES OF  
MICRONESIA BY AMENDING SECTIONS 101, 102,  
103, 104, 105, 106 AND 107 AND BY ADDING  
A NEW SECTION 108 TO ESTABLISH AN  
EXCLUSIVE ECONOMIC ZONE IN THE OCEAN  
SURROUNDING THE FEDERATED STATES OF  
MICRONESIA, TO EXPAND THE SIZE OF THE  
TERRITORIAL SEA, TO MAKE THE CHAPTER  
CONSISTENT WITH THE CURRENT POLITICAL  
STATUS OF THE FEDERATED STATES OF  
MICRONESIA, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

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

Your committee has reviewed the bill and conducted hearings with  
the Executive Director of the MMA and the Secretary of External  
Affairs. The bill proposes two major changes to National laws  
regarding maritime boundaries. First, it extends the FSM  
Territorial Sea from three miles to twelve miles seaward from the  
island's edge. Second, it redesignates the zone between the  
Territorial Sea and the 200-mile maritime boundary, currently  
known as the Extended Fishery Zone (EFZ), as the FSM's Exclusive  
Economic Zone (EEZ), and at the same time increases the authority  
of the National Government to control the exploitation of  
minerals in the soil and subsoil found within the EEZ. Your  
committee is in accord with these changes, and therefore  
recommends passage of the bill, as amended herein.



STANDING COMMITTEE REPORT NO. 5-310

NOVEMBER 16, 1988

RE: C.B. NO. 5-245

A section by section review of this important legislation is in order. Section 1 of the bill merely makes a technical correction to the existing law found in section 101 of title 18 of the Code of the Federated States of Micronesia (hereafter, the report uses the form "18 F.S.M.C. section \*\*\*") which defines the baseline for the measurement of maritime boundaries. The correction changes the term "Government of Micronesia" to "Government of the Federated States of Micronesia."

Section 2 amends 18 F.S.M.C. section 102 to extend the FSM Territorial Sea from three to twelve nautical miles seaward from the island's baseline. Twelve nautical miles is the maximum internationally-recognized maritime territorial boundary. Expanding the Territorial Sea enhances the ability of the FSM to safeguard the National security, and enforce the National customs and immigration laws. At the same time, the bill would not diminish State authority over the 12-mile zone. Subsection (3) of the existing section is deleted because its contents are moved to 18 F.S.M.C. section 103.

Section 3 of the bill deletes from 18 F.S.M.C. section 103 the definition of the "exclusive fishery zone," since the expansion of the Territorial Sea has made that concept unnecessary. In its place, the bill would establish by law the sovereignty of the FSM over the whole Territorial Sea, from the airspace above it, to the waters and the natural resources in it, and the soil and subsoil beneath it. Subsection (2) of this section is amended by the bill to express a description of the State's constitutional authority over the Territorial Sea. Your committee recommends deleting this provision. The respective authority of the States and the National Government over the waters within the 12-mile maritime boundary is set forth in the FSM Constitution, which this body is without authority to alter or interpret by legislative act. The bill's attempt to "recognize" the authority of States over their waters could be read as an effort to limit by description the largely undefined scope of the State power in this area. In light of the constitutional nature of the issue addressed, the proposed language is unnecessary and potentially confusing.

Section 4 merely changes the designation of the "extended fishery zone" to "exclusive economic zone" to conform to international practice, and to show that the National Government claims authority over more than just the fish within the zone delimited by the 200-mile maritime boundary. The deleted language defining the extent of the National Government's authority over its zone has been replaced by the new text of 18 F.S.M.C. section 105.

NOVEMBER 16, 1988

RE: C.B. NO. 5-245

Section 5 of the bill deletes the existing but supererogatory language in 18 F.S.M.C. section 105 regarding "merged zones" created by overlapping maritime boundaries, and replaces it with language setting forth at length the scope of the rights claimed on behalf of the National Government in the EEZ. The intention of this section is to vest the maximum authority in the National Government permitted by international law.

Section 6 of the bill as proposed by the President would amend the current section regarding the respect to be accorded traditionally recognized fishing rights. The amendments are intended to correct technical references, and to withhold recognition from traditionally recognized fishing rights which have been transferred to others by non-traditional means. What the President intended to do by this latter amendment was discourage the commercial licensing and exploitation of traditional rights to fish over submerged reefs. Your committee however is unwilling to change more than the references in this section. No change in substance is intended.

The extent to which the instrumentalities of positive law should be brought to bear to assure recognition and protection to traditionally recognized fishing rights, and legal remedies for their abuse, are topics too important and complex to be addressed in an off-handed way. The growth of large-scale commercial fishing operations within the waters of the FSM will increasingly pose problems regarding the traditionally recognized rights over submerged reefs, which problems traditional methods of dispute resolution may prove ill-suited to address. Much thought and care must be given to the drafting of appropriate legislation that shall define, with the precision necessary to afford all persons clear notice of the law's demands, the scope of the traditional rights protected, the authority of the Government to enforce those rights, and the legal remedies available to the aggrieved parties when those rights are not respected. Your committee intends to tackle this problem, in close cooperation with its counterparts in the executive branch, so that this vital and tangible aspect of our traditional culture may not be lost.

Section 7 affords the President the authority necessary to prescribe, consistent with the provisions of law, the technical details of the location and other features of the maritime boundaries defined in the bill. The bill does not authorize the President to effect any truncation of the EEZ, which would have to be effected by legislation, usually as a result of an international agreement with a nation whose 200-mile maritime boundary may overlap our own.

NOVEMBER 16, 1988

RE: C.B. NO. 5-245

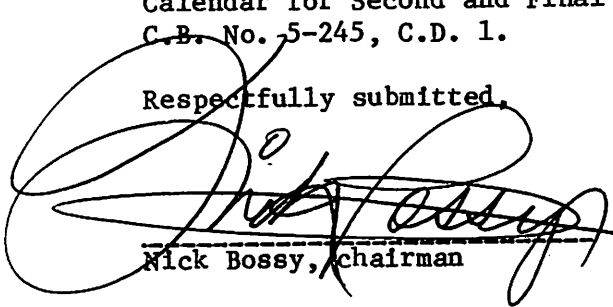
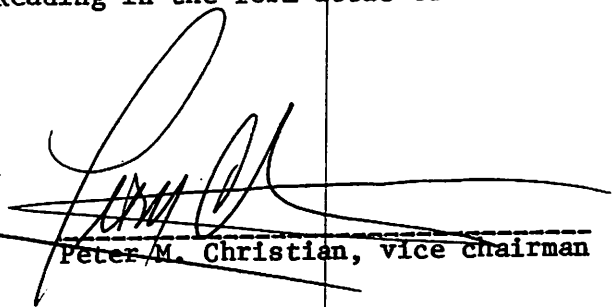
Section 8 supplies definitions to the terms "atoll" and "island" used elsewhere in the legislation.

In accord with the previous discussion, your committee recommends the following amendments to the bill:

1. Page 2, line 12 - delete "(1)".
2. Page 2, line 23 - after the period insert a quotation mark.
3. Page 2, line 24 - delete "(2)".
4. Page 3, line 2 - delete "Pursuant to the Constitution of the Federated States of".
5. Page 3, lines 3-6 - delete in their entirety.
6. Page 4, line 25 - delete "Such rights may not be" in its entirety.
7. Page 5, line 1 - delete "transferred except by traditional means." in its entirety.
8. Page 5, line 5 - delete "rules and" in its entirety.

Accordingly, your Committee on Resources and Development is in accord with the intent and purpose of C.B. No. 5-245, as amended herein, and recommends its passage on First Reading and that it be placed on the Calendar for Second and Final Reading in the form attached hereto as C.B. No. 5-245, C.D. 1.

Respectfully submitted,

  
Nick Bossy, chairman  
Peter M. Christian, vice chairman

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Joseph Urusemal, member

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Dohsis Halbert, member  
Redley Killion, member  
Claude H. Phillip, member  
Nishina Yleizah, member



CD2 A111888

FLOOR AMENDMENT TO C.B. NO. 5-245, C.D. 1

OFFERED BY SENATOR JOSEPH URUSEMAL

I propose the following floor amendment to C.B. No. 5-245, C.D. 1:

1. Page 4, lines 19-25 - delete in their entirety.
2. Page 5, line 1 - delete in its entirety.
3. Page 5, line 2 - delete "7" and insert "6" in lieu thereof.
4. Page 5, line 18 - delete "8" and insert "7" in lieu thereof.
5. Page 6, line 8 - delete "9" and insert "8" in lieu thereof.

This floor amendment deletes Section 6 of the bill. That section proposes amendments to section 106 of title 18 of the Code of the Federated States of Micronesia. The current section 106 of title 18, which mandates the preservation and respect of traditionally recognized fishing rights over submerged reefs, would remain in the Code of the Federated States of Micronesia, unamended.

The purpose of C.B. 5-245 is to redefine the Nation's maritime boundaries. The effect of the floor amendment is to remove from this bill the distinct question of what legal protections are to be given to traditionally recognized rights in the submerged reefs. This complex matter should be addressed in a more comprehensive and specific bill, drafted in consultation with our traditional leaders, in order to provide protections to these traditionally recognized rights which are legally enforceable and of practical value.



Joseph Urusemal

CD3 A112188

PROPOSED FLOOR AMENDMENT TO C.B. NO. 5-245, C.D.2  
OFFERED BY SENATOR JOSEPH J. URUSEMAL

I propose the following floor amendment to C.B. No. 5-245,  
C.D.2

1. Title, line 3 - delete "106".
2. Page 2, line 10 - after "Sea" insert "and internal waters".
3. Page 2, line 11 - delete "Regulation" and insert "Sovereignty" in lieu thereof.

These are technical amendments. Section 106 must be deleted from the title because a floor amendment deleted it from the text. The heading for section 103 must be changed to match amendments to the text.



Joseph J. Urusemal

~~A BILL FOR~~ AN ACT

To amend title 18 of the Code of the Federated States of Micronesia by amending sections 101, 102, 103, 104, 105, ~~106~~ and 107 and by adding a new section 108 to establish an Exclusive Economic Zone in the ocean surrounding the Federated States of Micronesia, to expand the size of the Territorial Sea, to make the chapter consistent with the current political status of the Federated States of Micronesia, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

1 Section 1. Section 101 of title 18 of the Code of the Federated  
2 States of Micronesia is hereby amended to read as follows:

3 "Section 101. Baseline system defined. A baseline is a  
4 continuous line which encircles an island or atoll. The  
5 baseline from which the zones designated in this chapter are  
6 to be measured is as follows:

7 (1) The baseline of an island or portion of an island  
8 lacking a barrier reef, fringing reef, or other reef system  
9 is the low-water line of the island as marked on  
10 large-scale charts officially recognized by the Government  
11 of the Federated States of Micronesia.

12 (2) The baseline of an atoll or island or portion of  
13 an island having a barrier reef, fringing reef, or other  
14 reef system is a line following the contour of the seaward  
15 edge of the reef system, which line connects those  
16 outermost elevations of the reef which are above water at  
17 low tide, and which line exists as marked on large-scale  
18 charts officially recognized by the Government of the  
19 Federated States of Micronesia."

20 Section 2. Section 102 of title 18 of the Code of the Federated  
21 States of Micronesia is hereby amended to read as follows:

22 "Section 102. Territorial Sea and internal waters - Defined.

23 (1) There is hereby established a Territorial Sea of  
24 ~~three~~ twelve nautical miles breadth. The inner boundary of  
25 the Territorial Sea of each island or atoll is the baseline

R.D. C.  
S.C.R. NO. 5-310  
NOVEMBER 16, 1988

1st Reading  
P 11/18/88  
2nd Reading  
P 11/21/88

Act No. 5-104



1 as defined in section 101 of this title. The outer  
2 boundary is a line, every point of which is ~~three~~ twelve  
3 nautical miles seaward of the nearest point of the baseline.

4 (2) Waters landward of the baseline, including the  
5 lagoons of atolls or islands, are internal waters.

6 (3) ~~The sovereignty of the Government of Micronesia~~  
7 ~~extends to its internal waters and Territorial Sea."~~

8 Section 3. Section 103 of title 18 of the Code of the Federated  
9 States of Micronesia is hereby amended to read as follows:

10 "Section 103. Exclusive fishery zone Territorial Sea - and internal waters  
11 Sovereignty  
Regulation.

12 (1) ~~There is hereby established an exclusive fishery~~  
13 ~~zone contiguous to the Territorial Sea. The inner boundary~~  
14 ~~of the exclusive fishery zone of each island or atoll is~~  
15 ~~the seaward boundary of the Territorial Sea, and the outer~~  
16 ~~boundary is a line, every point of which is twelve nautical~~  
17 ~~miles seaward of the nearest point on the baseline as~~  
18 ~~defined in section 101 of this chapter.~~ The sovereignty of  
19 the Federated States of Micronesia extends to its internal  
20 waters and Territorial Sea, including sovereign rights over  
21 the living and nonliving resources in the Territorial Sea  
22 and internal waters and in the airspace above the Territorial  
23 Sea and internal waters as well as its bed and subsoil. "

24 (2) ~~The Government of Micronesia possesses and may~~  
25 ~~exercise the same sovereign rights to living resources in~~



1 ~~the exclusive fishery zone as it does in the Territorial~~  
 2 ~~Sea. Pursuant to the Constitution of the Federated States of~~  
 3 ~~Micronesia, the authority to regulate the ownership,~~  
 4 ~~exploration, and exploitation of natural resources within~~  
 5 ~~the marine space of the Territorial Sea and internal waters~~  
 6 ~~resides with the States."~~

7 Section 4. Section 104 of title 18 of the Code of the Federated  
 8 States of Micronesia is hereby amended to read as follows:

9 "Section 104. ~~Extended fishery zone~~ Exclusive economic  
 10 zone - Defined. There is hereby established an ~~extended~~  
 11 ~~fishery zone~~ exclusive economic zone contiguous to the  
 12 ~~exclusive fishery zone~~ Territorial Sea. The inner boundary  
 13 of the ~~extended fishery zone~~ exclusive economic zone of  
 14 each island or atoll is the seaward boundary of the  
 15 ~~exclusive fishery zone~~ Territorial Sea, and the outer  
 16 boundary is a line, every point of which is two hundred  
 17 nautical miles seaward of the nearest point on the baseline  
 18 as defined in section 101 of this title. ~~The Government of~~  
 19 ~~the Federated States of Micronesia shall have exclusive~~  
 20 ~~management, conservation, and regulatory authority over all~~  
 21 ~~living resources within the extended fishery zone to the~~  
 22 ~~full extent recognized by international law."~~

23 Section 5. Section 105 of title 18 of the Code of the Federated  
 24 States of Micronesia is hereby amended to read as follows:

25 "Section 105. ~~Merged zone~~ Exclusive economic zone -

1 Regulation. Where the zone of one island overlaps a like  
2 zone of another island, they merge and become one, the  
3 outer boundary of which is the seaward-most boundary of the  
4 merged zones. Within the exclusive economic zone, the  
5 National Government of the Federated States of Micronesia  
6 shall have:

7 (1) Sovereign rights for the purpose of exploring and  
8 exploiting, conserving and managing the natural resources,  
9 whether living or nonliving, of the waters superjacent to  
10 the seabed and of the seabed and its subsoil, and with  
11 regard to other activities for the economic exploitation  
12 and exploration of the zone;

13 (2) Jurisdiction with regard to the establishment and  
14 use of artificial islands, installations, and structures;  
15 marine scientific research; and the protection and  
16 preservation of the marine environment; and

17 (3) Other rights and duties provided for in  
18 international law."

19 ~~Section 6. Section 106 of title 18 of the Code of the Federated~~  
20 ~~States of Micronesia is hereby amended to read as follows:~~

21 "Section 106. Submerged reefs. Traditionally recognized  
22 fishing rights in submerged reef areas wherever located  
23 within the ~~fishery zones~~ Territorial Sea and the exclusive  
24 economic zone of the Federated States ~~if~~ of Micronesia shall  
25 be preserved and respected. ~~Such rights may not be~~



1 ~~transferred except by traditional means."~~

2 Section <sup>6</sup>7. Section 107 of title 18 of the Code of the Federated  
3 States of Micronesia is hereby amended to read as follows:

4 "Section 107. Delimitation Regulations. The President of  
5 the Federated States of Micronesia may issue such rules and  
6 regulations as are necessary to establish the boundaries of  
7 internal waters, the Territorial Sea, and the exclusive  
8 economic zone.

9 (1) *The Government of the Federated States of*  
10 *Micronesia and the United States Government shall cooperate*  
11 *in the delimitation of the Micronesian extended fishery*  
12 *zone when it overlaps a zone of national jurisdiction of*  
13 *another nation.*

14 (2) *The boundary between the extended fishery zone*  
15 *established herein and the fishery zones of Palau and the*  
16 *Marshall Islands shall be established by agreement between*  
17 *the Government of the Federated States of Micronesia and*  
18 *the Governments of Palau and the Marshall Islands."*

19 Section <sup>7</sup>8. Chapter 1 of title 18 of the Code of the Federated  
20 States of Micronesia is hereby amended by adding a new section 108  
21 to read as follows:

22 "Section 108. Definitions. As used in this chapter:

23 (1) 'Atoll' means a naturally formed reef system  
24 which has one or more islands situated on the reef system,  
25 including Ngulu, Ulithi, Sorol, Eauripik, Woleai, Faraulep,

1 Ifalik, Olaimarao, Elato, Lamotrek, West Fayu, Puluwat,  
2 Pulap, Pulusuk, Namonuito, Kuop, Nomowin, Murilo, Losap,  
3 Namoluk, Satawan, Etal, Lukunor, Minto Reef, Oroluk,  
4 Nukuoro, Kapingamarangi, Pakin, Ant, Sapwafik, Mwoakiloa,  
5 and Pingelap.

6 (2) 'Island' means a naturally formed area of land,  
7 surrounded by water, which is above water at high tide."

8 Section <sup>8</sup>9. This act shall become law upon approval by the  
9 President of the Federated States of Micronesia or upon its becoming  
10 law without such approval.

11

12 Date: 5/13/88

Introduced by.

/s/ Claude H. Phillip  
Claude H. Phillip  
(by request)

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1988

John R. Hagelgam  
President  
I.S.M.



A BILL FOR AN ACT

To amend title 18 of the Code of the Federated States of Micronesia by amending sections 101, 102, 103, 104, 105, 106 and 107 and by adding a new section 108 to establish an Exclusive Economic Zone in the ocean surrounding the Federated States of Micronesia, to expand the size of the Territorial Sea, to make the chapter consistent with the current political status of the Federated States of Micronesia, and for other purposes.

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4 continuous line which encircles an island or atoll. The  
5 baseline from which the zones designated in this chapter are  
6 to be measured is as follows:

7           (1) The baseline of an island or portion of an island  
8 lacking a barrier reef, fringing reef, or other reef system  
9 is the low-water line of the island as marked on  
10 large-scale charts officially recognized by the Government  
11 of the Federated States of Micronesia.

12          (2) The baseline of an atoll or island or portion of  
13 an island having a barrier reef, fringing reef, or other  
14 reef system is a line following the contour of the seaward  
15 edge of the reef system, which line connects those  
16 outermost elevations of the reef which are above water at  
17 low tide, and which line exists as marked on large-scale  
18 charts officially recognized by the Government of the  
19 Federated States of Micronesia."

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22           "Section 102. Territorial Sea and internal waters - Defined.

23           (1) There is hereby established a Territorial Sea of  
24 ~~three~~ twelve nautical miles breadth. The inner boundary of  
25 the Territorial Sea of each island or atoll is the baseline

as defined in section 101 of this title. The outer boundary is a line, every point of which is ~~three~~ twelve nautical miles seaward of the nearest point of the baseline.

(2) Waters landward of the baseline, including the lagoons of atolls or islands, are internal waters.

*(3) The sovereignty of the Government of Micronesia extends to its internal waters and Territorial Sea."*

Section 3. Section 103 of title 18 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 103. Exclusive fishery zone Territorial Sea - Regulation.

(1) *There is hereby established an exclusive fishery zone contiguous to the Territorial Sea. The inner boundary of the exclusive fishery zone of each island or atoll is the seaward boundary of the Territorial Sea, and the outer boundary is a line, every point of which is twelve nautical miles seaward of the nearest point on the baseline as defined in section 101 of this chapter.* The sovereignty of the Federated States of Micronesia extends to its internal waters and Territorial Sea, including sovereign rights over the living and nonliving resources in the Territorial Sea and internal waters and in the airspace above the Territorial Sea and internal waters as well as its bed and subsoil.

(2) *The Government of Micronesia possesses and may exercise the same sovereign rights to living resources in*

1 ~~the exclusive fishery zone as it does in the Territorial~~  
2 ~~Sea.~~ Pursuant to the Constitution of the Federated States of  
3 Micronesia, the authority to regulate the ownership,  
4 exploration, and exploitation of natural resources within  
5 the marine space of the Territorial Sea and internal waters  
6 resides with the States."

7 Section 4. Section 104 of title 18 of the Code of the Federated  
8 States of Micronesia is hereby amended to read as follows:

9 "Section 104. ~~Extended fishery zone~~ Exclusive economic  
10 zone - Defined. There is hereby established an ~~extended~~  
11 ~~fishery zone~~ exclusive economic zone contiguous to the  
12 ~~exclusive fishery zone~~ Territorial Sea. The inner boundary  
13 of the ~~extended fishery zone~~ exclusive economic zone of  
14 each island or atoll is the seaward boundary of the  
15 ~~exclusive fishery zone~~ Territorial Sea, and the outer  
16 boundary is a line, every point of which is two hundred  
17 nautical miles seaward of the nearest point on the baseline  
18 as defined in section 101 of this title. ~~The Government of~~  
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25 "Section 105. ~~Merged zones~~ Exclusive economic zone -

Regulation. ~~Where the zone of one island overlaps a like zone of another island, they merge and become one, the outer boundary of which is the seaward-most boundary of the merged zones.~~ Within the exclusive economic zone, the National Government of the Federated States of Micronesia shall have:

(1) Sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources, whether living or nonliving, of the waters superjacent to the seabed and of the seabed and its subsoil, and with regard to other activities for the economic exploitation and exploration of the zone;

(2) Jurisdiction with regard to the establishment and use of artificial islands, installations, and structures; marine scientific research; and the protection and preservation of the marine environment; and

(3) Other rights and duties provided for in international law."

Section 6. Section 106 of title 18 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 106. Submerged reefs. Traditionally recognized fishing rights in submerged reef areas wherever located within the ~~fishery zones~~ Territorial Sea and the exclusive economic zone of the Federated States ~~if~~ of Micronesia shall be preserved and respected. Such rights may not be



1           transferred except by traditional means."

2           Section 7. Section 107 of title 18 of the Code of the Federated  
3 States of Micronesia is hereby amended to read as follows:

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5 the Federated States of Micronesia may issue such rules and  
6 regulations as are necessary to establish the boundaries of  
7 internal waters, the Territorial Sea, and the exclusive  
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10 *Micronesia and the United States Government shall cooperate*  
11 *in the delimitation of the Micronesian extended fishery*  
12 *zone when it overlaps a zone of national jurisdiction of*  
13 *another nation.*

14           *(2) The boundary between the extended fishery zone*  
15 *established herein and the fishery zones of Palau and the*  
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19           Section 8. Chapter 1 of title 18 of the Code of the Federated  
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21 to read as follows:

22           "Section 108. Definitions. As used in this chapter:

23           (1) 'Atoll' means a naturally formed reef system  
24 which has one or more islands situated on the reef system,  
25 including Ngulu, Ulithi, Sorol, Eauripik, Woleai, Faraulep,

R+D

C. B. No.

V-245

1 Ifalik, Olaimarao, Elato, Lamotrek, West Fayu, Puluwat,  
2 Pulap, Pulusuk, Namonuito, Kuop, Nomowin, Murilo, Losap,  
3 Namoluk, Satawan, Etal, Lukunor, Minto Reef, Oroluk,  
4 Nukuoro, Kapingamarangi, Pakin, Ant, Sapwuafik, Mwoakiloa,  
5 and Pingelap.

6 (2) 'Island' means a naturally formed area of land,  
7 surrounded by water, which is above water at high tide."

8 Section 9. This act shall become law upon approval by the  
9 President of the Federated States of Micronesia or upon its becoming  
10 law without such approval.

11  
12 Date: May 13/88

Introduced by:

Claude H. Phillip  
Claude H. Phillip  
(by request)