

COMMUNIQUÉ

The Leaders of the Kosrae State convened the 2025 Mid-Term Kosrae Leadership Conference at the Rose Mackwelung Library in Tofol, Kosrae from February 18-19, 2025. The Mid-Term Kosrae Leadership Conference was chaired by the Honorable Tulensa W. Palik, Governor of Kosrae State and co-chaired by the Honorable Arthy G. Nena, Lt. Governor of Kosrae State and Mr. Salpasr Tilfas, Vice Speaker of the Kosrae State Legislature.

The following principals in attendance of the Mid-Term Kosrae Leadership Conference:

- 1. Kosrae State Legislative Branch
- 2. Kosrae State Executive Branch
- 3. KSA Women Organization
- 4. KSA Youth Organization
- 5. Senior Citizen Organization
- 6. Council of Mayors
- 7. Council of Pastors
- 8. Kosrae State Judiciary Branch

Additional attendees of the Kosrae State Mid-Term Leadership Conference were principals from the National Government:

- 1. The Honorable Vice President Aren Palik-FSM National Government
- 2. Chairwoman, Madam Yoslyn G. Sigrah, 23th FSM Congress

The Kosrae State Mid-Term Leadership (KSML) Conference was also attended by cabinet members of the Kosrae State Government, members of the Kosrae State Legislature, members of the Council of Mayors, representative of the Kosrae Chamber of Commerce, the Church, representatives from the FSM National Government, consultant from Asian Development Bank, and representatives from the Non-Governmental Organization.

The main objective of the Mid-Term Leadership Conference was to share progress and updates by the State Government to all stakeholders with emphasis on the Transition Committee Report and Recommendation to the Palik – Nena Administration transmitted to Governor Palik on January 31, 2023; and on the State Leadership Conference Action Items completed February 28th of 2023.

A delegation from the FSM National Government, led by The Honorable Vice President Aren B. Palik and Chairwoman Senator Yoslyn G. Sigrah from the FSM Congress with key staffs from both national government branches, were both among the principals invited by the State Government participate.



Rose Mackwelung Library, Tofol, Kosrae February 18-19, 2025



Updates by both, the national government and the state government on recommendations and priority actions on the two documents were provided during the two – day conference.

With the main objectives of the conference being the review of the actions on the two documents guiding the Palik – Nena administration, the main objective of the Conference is to understand and set actions toward completing unfinished priorities moving forward to the second half of the Palik – Nena administration and beyond.

Discussions by principals during the two – day conference, relating to the progress and updates presented by both the national and state government were shared with common understanding to moving the priorities forward. Other new items were also brought up by the principals for consideration were also heard and recorded for disposal moving forward.

As requested by the Co – Chairs of the Mid – Term Leadership Conference, by consensus the actions moving forward would be reflected in the signing in the Communique as the way forward.

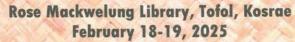
The Conference started with a formal opening with the raising of color and the Kosrae Anthem followed by a prayer given by Rev. Austin Esau. Special remarks were also given by the TH Tulensa W. Palik, Governor of the State of Kosrae, TH Aren B. Palik, Vice President of the Federated States of Micronesia, TH Speaker Semeon J. Philip, 13th Kosrae State Legislature, TH Hanlin L. Charley, Chairman of the Council of Mayors, and Madam Chairwoman, Senator Yoslyn G. Sigrah.

Governor Palik asked that a Resolution of Appreciation of Participation be drafted for signing by the leaders. It was agreed upon by all principal members and so it shall be made.

The Conference was led by Co Chairmen, Lt. Governor Arthy G. Nena, and Vice Speaker Salpasr E. Tilfas, nominated and endorsed by the principals. The details on the presentations are available as reference for the principals, attached.

- * Conference Recommendations/Way Forwards:
 - Tafunsak Mayor proposed that the 50% be shared with the Municipal Government at 70% and 30% for state.
 - Kosrae Senior Citizen Representative proposed to have Trust Fund increase Social Security
 - CSOK and Kosrae Women's Association both wish to have a FEMALE Representative in the budget reviewing processes
 - Energy Sector to hire more technical expertise, namely Electrical Engineers
 - > Leadership to create a unit specifically to monitor all reports and not just SDPs

KOSRAE STATE MID-TERM LEADERSHIP CONFERENCE





- To have state leaders revisit Youth Group Request for a Lelu Gymnasium
- The Leadership to look into possible outside funds to renovate Kosrae Highschool since it's not Sector Funded
- CSOK requests still for an office space
- Infrastructure Funds to include ENERGY Component for major infrastructure expansions, and this includes the Dock Expansion Projects on the IDP Listings.
- Chairwoman Sigrah proposed that a TF be established for this type of situations as the problems still persist
- Vice President proposes a unified FSM Sports team for upcoming games, national and internationally
- Chamber of Commerce Representative, Vice Chair Senyorina Gifford, requested that all tax laws be revisited to be more friendly for local business operators; State to ensure that the procurement actions by the government and government contractors (local and foreign) utilize local vendors to ensure that tax returns benefit both, the businesses and the government in the revenue generations
- > Youth Rep., recommends a safety briefing be done before all gatherings commence
- Leadership to better prepare to have plans for students graduating from Vocational schools in piloting
- Kosrae Women Rep., requests that leadership support International Women's Day however they choose to celebrate it and to know there is a requirement by the State to observe the global event.
- State Recommendation: Governor Palik stated that the State would like to also set up a Trust Fund for the State.
- There's a system called ASYCUDA and currently being implemented by CTA but its putting a lot of the workload on the few agents operating on-island especially, shipping agents, so the Conference to recommend to the National Government to review this current system to avoid unnecessary costs to the business operators and shipping agents.



KOSRAE STATE LEADERSHIP CONFERENCE

Rose Mackwelung Library, Tofol, Kosrae February 18-19, 2025



- ➤ Infrastructure Recommendation from FSMTC&I: To address the matching issues, Kosrae State could consider allocating more funds for Infrastructure in FY26 and sacrifice some funding for the operational sectors.
- Recommend also for Infrastructure, FSMTC&I and the State leadership to meet and discuss all requirements before certification of the designs.
- > TC&I recognizes Kosrae PMO Office's needs for more technical support.
- > Requesting the Leadership to address the issue of development permit issuance that can last for the duration of the project.

The Principals of the February 18 to 19, 2025 Leadership Conference have reviewed and endorsed the content of these documents.

- Final Communique
- List of Projects
- Way Forward

T.H. Arthy G. Nena, Lt. Governor Conference Co-Chairman

T.H. Tulensa W. Palik Governor, Kosrae State

T.H. Aren B. Palik FSM Vice President

Sen. Yamado A. Melander Chairman Civil Society of Kosrae T. H. Salpasr E. Tilfas, Vice Speaker Conference Co - Chairman

T.H. Semeon J. Phillip

Speaker, 13th Kosrae State Legislature

T.H. Yoslyn G. Sigrah

Chairperson, Kosrae Delegation - CFSM

Mrs. Senyorina A. Gifford

Rep., Kosrae Chamber of Commerce



KOSRAE STATE LEADERSHIP CONFERENCE

Rose Mackwelung Library, Tofol, Kosrae February 18-19, 2025



Rev. Madison Nena

Rev. Madison Nena Rep., Council of Pastors

Rep., Kosrae Senior Citizens

Mrs. Kenye H. Livae

Rep, Kosrae Women Association

Mr. Weston H. Esahu

Rep., Kosrae Youth Dev. Association

Mr. Hanlin L. Charley

Chairman, Council of Mayors

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Mr. Carl Apis

Secretary, FSMTC&I



KOSRAE STATE LEADERSHIP CONFERENCE FEBRUARY 27-28, 2023



UPDATE REPORTS I.

1. INFRASTRUCTURE PROJECTS

Kosrae's Project Management Officer Mr. Bruce Howell presented an update on major infrastructure projects in the state as follows:

- Hospital Rehabilitation Project
- Innem Access Road: Completed in 2024 by DT&I
- > Hospital Rehab Project Project ongoing. 15% complete. Fire protection design holding issuance of permanent work ntp. PMO, PMU and USACE to resolve.
- > Okat Bridge Utility Relocation Project PMO preparing contract draft for final USACE review
- > FSM Prioritized Road Investment and Management Enhancement (PRIME)Project Urgent Work: Lelu Causeway: Invitation for Bid in March 2025 and start of construction in September.
- Resilient Road: Causeway to Sennys, Under design, estimate completion in late 2025 and construction bidding in 2026
- > FSM Strategic Climate Oriented Road Enhancement (SCORE) Project Lelu Island Perimeter roads: Under design, estimate completion in late 2025 and construction bidding in early 2026
- > FSM Maritime Investment Project
- > FSM MIP 2 to be considered by World Bank in next funding cycle.
- > ADB SustainableRoad Infrastructure Investment Project (SRIIP)
- > Tafunsak Bypass Road: Ground breaking on 2/17. Construction to start in April.
- Causeway to Tofol: Second Bidding awaiting approval of ADB.
- Malem School Improvements and UES Multipurpose Gym PMO requested statements of qualification from designers in late 2024. No firms responded. Second RFQ to be issued by end of February.
- Airport Runway Rehab Design

Project design is complete and ready for bidding in 2 phases. Kosrae has provided matching for first phase. Bids for first phase to be invited by end of February. Kosrae needs to match \$6 million for second phase.

- > Airport Geographical Information System Project is complete and being reviewed by FAA.
- Utwe Water Project 150 households have been connected. Contractor will install 104 more connections and repair leaks in old distribution piping. Once completed project will be turned over to KUA. Awaiting local appropriation to complete this work.
- Road Maintenance and Improvements Compact IMF: VCS Providing asphalt and DT&I undertaking road repairs. DT&I has used 40% of contract volume of hot asphalt. Work is ongoing.



KOSRAE STATE LEADERSHIP CONFERENCE FEBRUARY 27-28, 2023



Malem to Utwe Inner Road Adaptation Fund

DECEM has completed negotiations for the design services for the coastal protection works in Paal and Mosral. As soon as contract is executed designer Beca will make initial site assessment. Design for road construction was completed by EMPSCO in 2024. Project lacks adequate funds to proceed to bidding for construction.

Utwe Gymnasium

Project is substantially complete. Remaining work from original scope is site filling and grading for parking area and demobilization of temporary facilities

- > Airport Terminal Arrivals Rehab Korea Grant
- > KPA will use grant funds to do urgent repairs using their maintenance personnel.
- > Airport Electrical Vault
- Construction completed in July 2024,
- Agriculture Office Project Project was abandoned in 2022. PMO & DREA trying to find a contractor who will complete.
- Court Second Floor Extension Project: Contractor ARM Construction. Work 28% complete. Scheduled to complete in November.
- Police Academy Fencing:

Contractor ARM Construction: To be completed in 90 days

- > COM Multipurpose Building:
 - Design and bidding completed. Grant requested for \$6.4 million from Compact Infra Sector.
- China Road; Airport to Walung: \$20 million grant from PRC Feasibility Study to be undertaken by PCG Government in 2025.
- > Solid Waste Landfill Tofol:

Site is 40% full. DT&I managing. Need full time attendants.

- > Srungansraluh River Access Road:
 - Construction by DT&I, 25% complete, work ongoing.
- Kosrae Cultural Center, Compact Infra 2024:
 PMO & DT&I to continue detailed design and submit for USACE ITR. Local committee has
- beestablished for design review as it progresses.
 DT&I Mechanic Shop and Office Building Repairs, Compact Infra 2024
 PMO & DT&I to continue detailed design and submit for USACE ITR.
- Request for KIRMA to Provide Multiyear Development Review Permits: To relieve project proponents from submitting a new application every year.
- Fiber Optic Cable with 2GB speed. Arriving Kosrae June to July.
- Airport Quarantine Building Renovation: 40% complete