

EXECUTIVE ORDER NO. 1
(As amended April 2008)

**DUTIES, RESPONSIBILITIES AND INTERNAL ORGANIZATION
OF EXECUTIVE DEPARTMENTS AND OFFICES**

WHEREAS, Section 203 and 204 of Title 2 of the Code of the Federated States of Micronesia (hereinafter "FSM") established the departments and offices which constitutes the Executive Branch of the Government of the FSM; and

WHEREAS, Section 206 of Title 2 of the Code of the FSM provides that the President shall, by administrative directive, establish the duties, responsibilities and functions thereof;

NOW THEREFORE, under the authority of the Constitution of the FSM and of the Code sections cited above, it is ordered as follows:

SECTION I.
DEPARTMENT OF FOREIGN AFFAIRS

The Department of Foreign Affairs is responsible for formulating and recommending foreign policies to be observed by the FSM; implementation of those policies through establishment and conduct of relations of the FSM with foreign governments, governmental, regional and international organizations, and quasi-governmental organizations in accordance with applicable laws, treaties, regulations, and orders; for advising officials of the State and the National Government of FSM of policies to be observed toward such governments and organizations.

The Department shall include the following divisions and overseas components:

A. American and European Affairs

Its duties and functions are as follows:

- (1) Establish and conduct relations with the countries of the Americas, Europe and quasi-governmental organizations;
- (2) Provide administrative support and policy recommendations to such offices of the FSM as may be established for diplomatic economic and/or consular purposes in the countries of the Americas and Europe;
- (3) Maintain contact and serve as the official channel of communications between the Government of the FSM and governments of countries of the Americas and Europe;
- (4) Provide the Government of the FSM with current information and assessment pertaining to economic, social, scientific and cultural opportunities in countries of the Americas and Europe;
- (5) Disseminate information about the FSM to Governments of countries of the Americas and Europe; and,
- (6) Establish arrangements regarding trade and other interests with the countries of the Americas and Europe.

B. Asian, Pacific, African and Multilateral Affairs

Its duties and functions are as follows:

- (1) Establish and conduct relations for diplomatic, economic and/or consular purposes with Governments of countries of Asia, the Pacific and Africa, governmental, regional and international organizations, and quasi-governmental organizations;

- (2) Provide administrative support and policy recommendations to such offices of the FSM as may be established for diplomatic and other authorized purposes in countries referred to in paragraph 1;
- (3) Maintain contact and serve as the official channel of communications between the Government of FSM and governmental, regional and international organizations, quasi-governmental organizations, and the Governments of countries referred to in paragraph 1;
- (4) Provide the Government of the FSM with current information and assessment thereof pertaining to governmental, regional and international organizations, and the countries referred to in paragraph 1;
- (5) Disseminate information about the FSM to governmental, regional and international organizations, quasi-governmental organizations, and the Governments of countries referred to in paragraph 1; and,
- (6) Establish arrangements regarding trade and other interests with governmental, regional and international organizations, quasi-governmental organizations, and the Governments of countries referred to in paragraph 1.

C. FSM Overseas Consular Posts and Embassies

After consultation with and upon approval of the President and Congress, the Department of Foreign Affairs shall establish overseas diplomatic, consular and/or missions, which shall perform the following duties and functions:

- (1) Represent the FSM to the host government and apprise the FSM Government of its political, social, economic and other developments in the host country,

- (2) Protect the interests and citizens of the FSM in the host nation within limits permitted by international law, including working with the law enforcement authorities in the host governments to ensure that the rights and safety of the FSM citizens are protected;
- (3) Negotiate with the host government on issues as directed by the Government of the FSM;
- (4) Ascertain by all lawful means conditions and developments in the host nation, and report thereon to the President of the FSM through the Secretary of the Department of Foreign Affairs;
- (5) Promote friendly relations, improve communications and understanding and develop ties in the economic, cultural and scientific fields between the FSM and the host nation, and assist, to the extend possible, the eligibility of all FSM citizens and governments for available technical, economic or social assistants by the host government;
- (6) Assist, as may be necessary and in accordance with law, citizens and officials of the FSM in the host nation by: (a) keeping as accurate as possible an accounting of FSM citizens residing in the region or host country; (b) advising the FSM of the annually updated count of the citizens in the region or country; (c) providing annual report on the conditions of the citizens in the host country relating to issues of their education, immigration, employment, business and/or property ownership, health, housing, labor relations, law enforcement treatment, cultural and other social and economic involvement in the host country; and,

(7) Perform other functions as may be directed from time to time by the President of the FSM pursuant to his or her duties under the FSM Constitution to conduct the Nation's foreign affairs and national security.

SECTION II.
DEPARTMENT OF RESOURCES AND DEVELOPMENT

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 and in line with applicable provisions of the Nation's Strategic Development Plan (hereinafter "SDP") relating to economic development and resource management and conservation. The Department is responsible for assisting the states to develop their economies by focusing on the sector areas of fisheries, agriculture and tourism.

The Department shall have the following divisions:

A. Resource Management and Development

Its duties and functions are as follows:

- (1) Oversee and coordinate implementation of the SDP relating to the National Government's functions in developing the nation's economy, in resource management and development, and in formulating and recommending long-term economic development policies, including updates to the SDP itself.
- (2) Develop national fisheries, aquaculture and mari-culture development and conservation policies, plan institutional structure and coordinate the roles of the private, public, and fisheries agencies, including maintaining a close working relationship with the State and National fisheries agencies, and private sector fishing activities;

- (3) Coordinate the implementation of FSM's fisheries development plans set forth in the SDP and updating those parts of the SDP relating to FSM fisheries development and conservation;
- (4) Provide technical, advisory, and support services to the States and the National Government on request in their inshore fisheries related development programs;
- (5) In coordination with the Department of Foreign Affairs and fisheries agencies, maintain liaison with foreign and international fisheries bodies, public and private, with a view to exchanging information and cooperation in training, research, and marketing;
- (6) Conduct and/or license inshore fisheries research and development projects;
- (7) In coordination with the National Oceanic Resource Management Agency (NORMA), monitor all the exploitation of the Nation's marine resources, propose policies for effective management of resources, maintain a database of fishing statistics within the EEZ, and coordinate implementations of fisheries policies, program assistance and data assessments with the States;
- (8) Provide technical and other assistance to the States in their agricultural development efforts including research and marketing services, crops rehabilitation and food processing programs, and accessing of foreign assistance for agricultural development;

- (9) In coordination with the Department of Foreign Affairs, maintain liaison with foreign and international agricultural bodies, public and private, for the purpose of exchanging information on research results, marketing and related subjects;
- (10) Establish national agricultural quarantine regulations;
- (11) Develop a national tourism policy, including development of the appropriate institutional structure and shall maintain a close working relationship with State tourism agencies and private sector tourism operators;
- (12) Seek, promote and encourage foreign investment in tourist related industries in the FSM, including promotion and support for tourist related industries such as air transportation development and cultural development and exhibitions;
- (13) Coordinating the implementation of the FSM's tourism development plans, programs or objectives set forth in the FSM SDP and updating that part of the SDP relating to tourism development; and,
- (14) Maintain a database available to the private sector of tourism statistics and information.

B. Division of Trade and Investment

Its duties and functions are as follows:

- (1) Development and promotion of an efficient trade and investment policy for the Nation, in conjunction with the relevant stakeholders;
- (2) Improvement and promotion of an environment that is conducive to domestic and foreign investment in the Nation;

- (3) Seek and secure support services from all possible sources to improve the competitive advantages of the FSM and expand entrepreneurial and business development; and
- (4) Facilitate the development of an environment supportive of an export oriented private sector-led growth.

C. Division of Energy

Its duties and functions are as follows:

- (1) Work on an energy sector development for policy formulation;
- (2) Explore potential areas and sources of renewable energy, including exploring potential assistance for the development of alternative energy sources;
- (3) Increase efforts in the identification of potential indigenous sources of renewable energy;
- (4) Strengthen coordination with the state governments on sustainable use of fuel energy; and,
- (5) Work with regional and international counterparts to seek funding and technical assistance to support energy development research activities, and all other sustainable energy development programs.

SECTION III.
DEPARTMENT OF FINANCE AND ADMINISTRATION

The Department of Finance and Administration is responsible on behalf of the National Government for the receipt, custody and expenditure of funds, for advising the President and other officials on financial matters and for the custody of National Government personal property.

The Department of Finance shall include the following internal Divisions:

A. Treasury & Accounting

(a) Accounting Unit

Its duties and functions are as follows:

- (1) Maintain accounting records of all revenues, obligations, disbursements, assets and liabilities of the National Government and issue payrolls, checks and other financial documents;
- (2) Establish financial management policies, procedures and regulations for the National Government and ensure adherence to applicable laws and regulations in all financial transactions of the government; and
- (3) Prepare such regular and special financial statements and reports as may be required by the Secretary of Finance and Administration.

(b) Information Management Unit

Its duties and functions are as follows:

- (1) Using automated data processing equipment, maintain records and produce management information for the Department of Finance and Administration and, as authorized, for other government agencies;
- (2) Produce accounting and other documents; and
- (3) Assist officials in devising systems to facilitate agency activities through computer applications.

(c) Supplies & Procurement Unit

Its duties and functions are as follows:

- (1) Procure supplies, equipment, material and other personal property for the use of the National Government and establish regulations and procedures for direct procurement by other agencies, if such procurement is authorized, and for disposal of surplus or unserviceable National property;
- (2) Maintain a store of common use items for issuance to National Government agencies against requisition;
- (3) Maintain a complete inventory record of the personal property of the National Government and conduct periodic physical inventories to verify the accuracy of the record;
- (4) Provide for the upkeep and maintenance of National Government property and for routine office services to governmental agencies.

B. Investment Management & International Finance

Subject to applicable laws, treaties, regulations and agreements, manage prudently all funds eligible for investment within the National Treasury so as to:

- (1) Provide the highest income consistent with a policy of safeguarding the principal balances;
- (2) Maximize the growth of investment of funds in a manner consistent with a sound and prudent investment policy;
- (3) Use automated data processing equipment, maintain records and produce accounting, investment performance and management information for the

Department of Finance and Administration and, as authorized, for other government agencies; and,

(4) Manage in a fiduciary capacity the investment of all Compact and other funds entrusted to the Secretary pursuant to the Agreement on Internal Budget and Finance Procedures under the Compact of Free Association (55 F.S.M.C. 301 et seq.), subject to the terms and conditions thereof.

C. Customs and Tax Administration

(a) Revenue Unit

(1) Assess, levy, collect and administer taxes on incomes and local revenues; and

(2) Deposit the proceeds from such collections to the account of the National Government.

(b) Customs Unit

(1) Administer and enforce the FSM customs laws and regulations;

(2) Collect import duties on goods entering the FSM;

(3) Control prohibited substances from entering the FSM;

(4) Utilize modern taxpayer education, audit and enforcement methods to assure high levels of compliance with tax laws and regulations.

D. Division of Personnel Administration

Its duties and functions are follows:

(1) Administer the National Public Service System;

- (2) As part of that system, establish and keep current a pay plan for employees recruited in Micronesia and other countries;
- (3) Draft Personnel regulations for the National Public Service, for the President's approval;
- (4) Administer the National Government employees' housing programs;
- (5) Analyze and identify the training needs of the National Public Service;
- and
- (6) Plan, organize and oversee training courses and programs to meet those needs.

SECTION IV.
DEPARTMENT OF HEALTH AND SOCIAL AFFAIRS

The Department of Health and Social Affairs is responsible for carrying out the functions of the National Government in promoting health and social services and shall include the following divisions and encompassing units:

A. The Division of Health

Its duties and functions are as follows:

- (1) Prepare statements and recommendations to the President on health services standards of the nation, health conditions and other health developments that may have national significance;
- (2) Exercise the powers of the National Government with respect to licensing, monitoring, and controlling quality of health professional and medical practices within the Nation;

- (3) Assess the health workforce needs and secure training programs to meet the needs;
- (4) Coordinate and, where appropriate, manage U.S. Federal, bilateral and multilateral health programs;
- (5) Serve as clearinghouse on all foreign assistance programs and projects from such sources as WHO, UNICEF, UNFPA, UNDP, SPC, SPREP and other donor agencies;
- (6) Issue import and export certificates with respect to the FSM National Government's responsibilities over controlled drugs and substances, food and over the counter drugs; and,
- (7) Provide technical assistance to the FSM States as needed.

Encompassing units include:

a.) Health Information, Planning and Epidemiology Unit

Its duties and functions are as follows:

- (1) In collaboration with the States, execute health planning, disease surveillance and epidemiology, compile reports and mortality, morbidity and the status of the residents of the FSM; and,
- (3) Maintain health data bank on vital health statistics and events;

b.) Communicable and Infectious Disease Unit

In collaboration with the States, execute public health programs to protect the residents of the FSM from acquiring and spreading infectious and communicable diseases.

c.) Environmental Health and Public Health Preparedness and Response

Unit

Its duties and functions are as follows:

- (1) Enforce the National Food Safety Act and make recommendations for improvements, where necessary;
- (2) In collaboration with the FSM States and relevant National departments/offices, coordinate activities to protect health from toxic chemicals and wastes, unsafe water, air pollution and disease vectors of public health significance;
- (3) Serve as the Focal Point for the Stockholm Convention on Persistent Organic Pollutants and the Basel/Waigani Conventions on the Trans-boundary Movement of Hazardous Wastes and their disposal;
- (4) Coordinate public health preparedness planning and readiness for bioterrorism incidents, disease outbreaks, and other public health threats & emergencies;
- (5) Coordinate implementation of the International Health Regulations (IHR) in the FSM;
- (6) Coordinate hospital support services; and,
- (7) Advise and collaborate with relevant National departments/offices on environmental health and public health emergency preparedness issues, as needed.

d.) Immunization Services Unit

Its duties and functions are as follows:

- (1) Provide vaccines against the most common forms of childhood preventable illnesses but not limited to DPT, hepatitis, measles, mums, rubella and polio;
- (2) Provide vaccines against other adult illnesses and other chronic illnesses as may be deemed epidemiologically appropriate;

e.) Non-communicable and Lifestyle Disease Unit

Coordinate the planning and implementation of public health programs and activities to reduce the incidence of preventable diseases and control the progression of non-communicable diseases, cancer and obesity.

f.) Substance Abuse and Mental Health Unit

Its duties and functions are as follows:

- (1) As appropriate, provide mental health and rehabilitative services to the States to assist their efforts in meeting the psychiatric needs of their respective populations; and,
- (2) Coordinate with the State implementation of public health programs to reduce incidences of substance abuse and mental illness.

g.) Family Health Service Unit

Its duties and functions are as follows:

- (1) Coordinate the planning and implementation of activities that improve the health status of adolescent women, women of child bearing age and older women;
- (2) Coordinate the planning and implementation of activities to improve the health status of children;

- (3) Coordinate the planning and implementation of public health programs and activities in preventive and clinical family planning services appropriate to the well-being and social values of the FSM people;
- (4) Coordinate planning and implementation of activities and services for children with special health care needs that should include but not limited to children with disabilities and children with rheumatic heart diseases; and,
- (5) Coordinate the planning and implementation of health programs in the school systems.

h.) Oral and Dental Health Unit

Coordinate planning and activities that improve oral and dental health through the live stages.

i.) Support to Hospitals and Curative Clinic Coordination Unit

Its duties and functions are as follows:

- (1) Coordinate medical consultation team visits to the states in various areas but not limited to orthopedics, radiology, surgery, ENT, urology, ophthalmology, obstetric-gynecology, and cardiology,
- (2) Coordinate and facilitate the biomedical repair services for the State hospitals;
- (3) Facilitate with the States the development of bulk purchasing medicines and other medical supplies; and,
- (4) Coordinate and facilitate the assessment and installation feasibility of special health equipments, facilities, and services which should include but are not

limited to dialysis units, mammogram machines, CAT scan, MRI, referral centers, and tertiary specialists.

B. Division of Social Affairs and Health Advocacy

a.) Women Affairs Unit

Provide the opportunity and support for better communication and flow of information among women of the Nation and those of regional and international organization.

b.) Sports Development and Promotion Unit

Its duties and functions are as follows:

- (1) Coordinate planning and implementation of intrastate and national sport activities and international sports that are relevant to the nation;
- (2) Coordinate the development and status of trainings of athletes and sport coaches; and,
- (3) Coordinate and collaborate with Department of Education the development and implementation of physical education in the education curriculum.

c.) Youth Affairs and Development Unit

Its duties and functions are as follows:

- (1) Coordinate and monitor youth development activities in the States; and,
- (2) Coordinate and collaborate with the Department of Historic Preservation and Archives Planning and implementation of social and cultural learning activities for the youth.

d.) Senior Citizens Affairs Unit

Coordinate the planning and implementation of activities for the elderly residents of the Nation.

e.) Adult with Disability Affairs and Advocacy Unit

Coordinate the planning and implementation of support and promotion for the welfare of the adult people with disabilities.

**SECTION V.
DEPARTMENT OF JUSTICE.**

The Department of Justice (hereinafter "DOJ") is responsible for enforcing all laws of the nation, including investigating and prosecuting violations of FSM laws; representing, advising, and defending the national government in all administrative, civil and criminal matters including appeals; drafting proposed bills and resolutions, reviewing passed legislations; drafting and reviewing proposed contracts for legal sufficiency; enforcing all immigration laws and regulations; enforcing FSM laws and regulations prohibiting discrimination on the basis of race, sex, disability, religion, and national origin; upon request, provide written legal opinions for all FSM departments regarding any subject needing clarification; and providing legal counsel and advise to the FSM National Election Committee.

To efficiently carry out the responsibilities abovementioned, the DOJ shall consist of the following divisions:

A. Division of Law

Its specific duties and functions are as follows:

- (1) Advising the President and other Executive Officials on the interpretation and application of the laws in the performance of their public duties;

- (2) Issuing formal opinions about questions of law submitted by the President, members of Congress, Heads of the Departments and Offices;
- (3) Drafting bills and legislations, Presidential Orders, Proclamations, agreements, contracts and other Executive Branch documents;
- (4) Preparing and publishing public regulations and/or codes;
- (5) Reviewing and making recommendations on bills passed by Congress and presented for the President's approval;
- (6) Advising all departments and offices on legal issues as may be raised or requested by any such agencies;
- (7) Providing legal counsel and advice to the FSM Election Committee;
- (7) Advising Foreign Affairs on legal aspects of relations with the United States of America and other nations; and,
- (8) Reviewing and providing advice on legal aspects of international agreements and treaties, including the Compact of Free Association.

B. Division of Litigation

Its duties and functions are as follows:

- (1) Instituting criminal investigations and proceedings against any person, business, or legal entity accused of violating the laws of the FSM, which is not limited to the FSM constitution, code, treaties, and regulations;
- (2) Representing and defending all civil actions and proceedings involving the FSM or its employees in their official capacity, including any subsequent appeals;

- (3) Representing and defending all appeals of adverse actions made by the respective departments to suspend, demote, or dismiss an employee of the FSM;
- (4) Advise the FSM and respective departments regarding out-of-court settlements; and,
- (5) In conjunction with the FSM National Police, enforce and administer all the FSM Supreme Court case sentences, the FSM Penal or Prison System, including administration of all Joint Law Enforcement agreements with the States.

C. Division of National Police

Its duties and functions are as follows:

- (1) Enforce laws dealing with offenses against national jurisdiction or major crimes, jointly with State authorities;
- (2) Maintain a central record of identification and other information related to police services, consolidating information provided by the State Public Safety agencies;
- (3) Provide liaison between State public safety agencies and police agencies of outside jurisdictions for purposes such as training, extradition, identification, and location of missing persons;
- (4) Enforce the Controlled Substance Act – 11 FSMC, Chapter 11 and to maintain a nation-wide record of offenses and offenders of this Act;
- (5) Within the limits of available resources and on request, provide technical and other assistance to the States in their public safety services;

- (6) Provide executive protection services for the President and Vice President and other government persons or significant citizens as may be directed from time to time;
- (7) Provide security and public safety services at the National Capitol and at other governmental functions as required;
- (8) Enforce laws and regulations governing activities within the Exclusive Economic Zone of the FSM;
- (9) Conduct and coordinate Search and Rescue operations;
- (10) Operate and maintain the nation's police and maritime patrol vessels;
- (11) Within the limits of available resources and on requests, provide technical assistance to State marine surveillance and conservation programs, search and rescue units, and drug enforcement agencies; and,
- (12) In coordination with the Department of Foreign Affairs, maintain liaison with foreign and international governmental bodies for the purpose of exchanging information, participating in marine surveillance, search and rescue, and drug enforcement training, and facilitating the extradition of foreign violators of laws governing the Exclusive Economic Zone of the FSM and the Controlled Substance Act.

D. Division of Immigration and Labor

Its duties and functions are as follows:

- (1) Issue permits to non-resident workers and enforce the conditions to which such permits are subject;

- (2) Conduct human resource surveys and prepare analyses of the manpower needs of the Nation;
- (3) Regulate entry of aliens into the FSM and their presence therein; and
- (4) Perform such duties with respect to passports as are assigned thereto.

E. Registrar of Corporations Division

Its duties and functions are as follows:

- (1) Maintain a register of corporations in consultation with the Department of Justice;
- (2) Promulgate regulations pertaining to major corporations pursuant to 54 FSMC §321, as amended by P.L. No. 13-70 & 13-71 (2006);
- (3) Receive and maintain a register of all Foreign Recruiters pursuant to Section 175(b) of the Amended Compact of Free Association; and,
- (4) Provide the business incorporation review and approval recommendation process for the FSM Government.

SECTION VI.
DEPARTMENT OF TRANSPORTATION,
COMMUNICATION AND INFRASTRUCTURE

The Department of Transportation, Communication and Infrastructure is responsible for the regulation of interstate and international sea and air transportation, for the operation of vessels and aircraft belonging to or controlled by the National Government, for the regulation of the radio frequency spectrum in accordance with national and international law, for construction and other contract supervision, and for maintenance of the Capitol complex. It shall include the following internal Divisions.

A. Division of Marine Transportation

Its duties and functions are as follows:

- (1.) Plan, coordinate and regulate a nationwide sea transportation system adapted to the present and future needs of foreign and domestic commerce in the FSM;
- (2) Manage the day to day administration, operation and maintenance of all vessels under the direct operational control of the National Government except vessels used for marine surveillance;
- (3) Provide for the inspection and quality control of all marine equipment and facilities utilized in the provision of transportation services in the FSM; and,
- (4) Coordinate its activities with other governmental agencies and entities in the provision of related services and assist State governments with respect to their marine transportation needs and activities.

B. Division of Communication

Its duties and functions are as follows:

- (1) Control and license radio and communications in the FSM;
- (2) Manage radio frequency spectrum in accordance with national laws and International Telecommunication Union standards;
- (3) Discharge on behalf of the FSM any obligations entered into under treaties or international agreements including application of the provisions of the International Telecommunication Convention and the International Radio Regulations as required by the Compact of Free Association and its related Agreements, and,

(4) Represent the FSM as a member and actively participate in meetings of regional and international bodies including the US/FSM Joint Telecommunication Board, International Telecommunications Union, Asia Pacific Telecommunity, and INTELSAT.

C. Division of Civil Aviation

Its duties and functions are as follows:

- (1) Establish and regulate the principles and techniques of air navigation and civil aviation operations in the FSM to ensure the highest standards of safety and efficiency;
- (2) Foster the planning and development of air transport to ensure the safe and orderly growth of civil aviation to meet the needs of the people of the FSM for safe, regular, efficient and economical air transport;
- (3) Promote adequate, economical air service in the FSM through close coordination with contract carriers and appropriate foreign and international agencies in the establishment of sound economic conditions for air service operation; and
- (4) Coordinate its activities with other governmental civil aviation agencies and entities in the provision of related services; and
- (5) Assist State Governments with respect to their aviation needs and activities.

D. Division of Infrastructure

Its duties and functions are as follows:

- (1) Construction review, including preparation of plans and specifications, and provide for periodic and final inspection of construction projects in which the National Government has a direct interest;
- (2) Perform such other functions related to public works construction and maintenance as are within the purview of the National Government;
- (3) In coordination with the Department of Resource and Development, prepare for the National Government and coordinate for State Governments their Public Sector Investment Programs as related to physical infrastructure development in the FSM;
- (4) Facilitate maintenance, including coordination and monitoring of all necessary maintenance of the FSM Capitol physical facilities, janitorial cleaning and disposal services, ground landscaping and maintenance; and,
- (5) Administer the Executive Branch motor pool in accordance to the Motor Pool Policy found in the Manual of Administration.

SECTION VII.
DEPARTMENT OF EDUCATION

The Department of Education is responsible for carrying out the functions of the National Government in promoting education. The Department is responsible for the planning, development, and promotion of national goals and standards in the field of education, the implementation of national education programs, and the coordination of U.S. Federal education programs. In addition, the Department of Education encourages the teaching of vernacular languages and other foreign languages, ensures in-service teacher training and other staff development programs, assists with effective services for handicapped children and youth, issue

charters to non-public schools throughout the FSM, assists with post-secondary education, provides technical assistance to State Departments of Education, issues teacher certificates, provides support services to and receives advice and assistance from the FSM Board of Education, reports on the condition and progress of education in the nation, and promotes the cause of education in the FSM.

The Department of Education shall also have these duties and functions under the following internal Divisions:

A. Division of Education Systems Support

Its duties and functions are as follows:

- (1) Collect and publish data showing the condition and progress of post-secondary education for the FSM;
- (2) Develop and establish administrative guidelines, regulations, and procedures for the operation of post-secondary loan and scholarship programs;
- (3) Assist with the administration of the national Scholarship Program; administer the National Student Loan Revolving Fund Program;
- (4) Maintain a reliable record filing system of all scholarship and loan awards;
- (5) Ensure repayment of student loans administered by the Department;
- (6) Assist with the development of post-secondary orientation programs for secondary-level students;
- (7) Provide student services for citizens of the FSM enrolled in colleges and universities abroad.

- (8) Monitor and coordinate all applicable education programs and provide assessment and evaluation reports;
- (9) Provide statistical data on the progress and condition of education in the FSM;
- (10) Develop and finalize the FSM curriculum minimum standards with associated student performance expectations;
- (11) Provide for the chartering of non-public schools;
- (12) Provide and administer the Nation's Teachers Certification Program;
- (13) Provide effective technical services to the State Department of Education, including youth activities development;
- (14) Coordinate all financial, budgetary and reporting requirements for the Department of Education; and
- (15) Serve as a clearinghouse for the Division of Education on all foreign assistance program and projects.
- (16) Provide technical assistance to the State Departments of Education in the areas of national, U.S. Federal, and foreign education assistance programs and projects, including monitoring and evaluating of program and project administration, coordination of consultancy services, financial management, testing and evaluating the progress of program recipients and beneficiaries, policies development, and evaluating project results and accomplishments.

B. Division of Vocational Career and Technical Education

Its duties and functions are as follows:

- (1) Develop standards for vocational instruction;

- (2) Promote the productive sectors and their study in the education system;
- (3) Develop standards and certification programs for vocational teachers;
- (4) Improve and maximize use of facilities and personnel for in and out of school vocational training;
- (5) Provide work experience for in and out of school youth including job shadowing, career education, and career pathways;
- (6) Provide trades skills and apprentice training programs for in and out of school youth;
- (7) Develop and promote skill upgrading for the FSM work force;
- (8) In coordination with the Department of Finance and Administration analyze and identify the training needs of the National Public Service, and plan and organize the training courses to meet these needs; and
- (9) Within the limits of available resources and on request, assist State governments in planning and conducting their employee training programs.

C. Division of Special Education

Its duties and functions are as follows:

- (1) To plan, develop and promote special education programs throughout the nation;
- (2) Monitor technical assistance and training to ensure state participation in the special education programs meet the grant conditions;
- (3) Ensure that free and appropriate education is provided to children with special needs from 0-12 ages;

- (4) To improve quality instructional services by providing special services and needs to children with learning disabilities in Primary, Elementary and High School levels; and
- (5) Coordinates and plans with state counterparts to develop standard application process for securing special education grants.

SECTION VIII.
OFFICE OF THE PUBLIC DEFENDER

The Office of the Public Defender is responsible for safeguarding individual rights in all criminal and related matters, from arrest or threat of confinement through all stages of the criminal proceedings including appeal and parole matters, if any, consistent with applicable laws, court rules, and rules of professional responsibility. The primary function of the Office of the Public Defender is to provide competent, effective and ethical defense in all criminal and related proceedings to each client whose cause has been entrusted to the Office for representation. The Office may also provide legal representation in specified civil matters as authorized by the Public Defender. The Office is attached to the Executive Branch only for purposes of administrative and logistic support; is responsible to its clients and shall have the internal subdivisions established by the Public Defender.

SECTION IX.
OFFICE OF STATISTICS, BUDGET, ECONOMIC MANAGEMENT,
COMPACT AND AID COORDINATION

The primary function of the Office is to serve as an information gathering and dissemination unit for the President, Congress, Executive branch departments and State governments. The Office is responsible for assisting the President in the formulation of macroeconomic policies, including fiscal and monetary policies, that aim to promote economic

and financial prosperity and security of the FSM, and as such is responsible for a wide range of activities including advising the President on economic financial issues, promoting the President's economic growth and sustainability agenda, enhancing effective financial intermediary and system, overseeing the preparation and administration of governmental budget and national SDP, evaluating the effectiveness of government programs in relations to national strategic development and operational plans, gathering, analyzing and reporting on current and prospective socio-economic developments, information integration and dissemination for strategic planning and management, managing and acting as focal point for all external economic assistance to FSM, enhancing corporate governance in financial institutions. The Office also serves as the Secretariat to the CEC, EPIC and NAO. The Office shall also have these duties and functions under the following internal Divisions:

A. Division of Statistics

Its duties and functions are as follows:

- (1) Gather timely and authoritative statistical data and information to support effective policy formulation;
- (2) Prepare and maintain the national accounts, government financial statistics, consumer price index, comprehensive trade statistics, and wage and employment statistics;
- (3) Produce and maintain quarterly and annual economic statistical bulletin;
- (4) Conduct periodical (every ten years) censuses of population, a comprehensive five yearly household and income and expenditure survey, labor force surveys, and other periodic censuses and surveys; and,

- (5) Develop and maintain an integrated information management system for socio-economic statistical data for use by the office or other government agencies in decision –making and planning.

B. Division of Budget & Economic Management

Its duties and functions are as follows:

- (1) Oversee the preparation of the National Budget and supervise its administration in Executive Branch agencies and other agencies that get funding through the FSM National Government; and
- (2) Assist in the formulation of the President's spending plans, and in doing so evaluate the effectiveness of government programs, policies, and procedures, and assess competing funding demands among agencies, and funding priorities.
- (3) Update revenue estimates on a regular basis and report the same to the President and Congress and other government agencies to ensure detailed expenditure plans in the Budget or future appropriations are met. In doing that, conduct periodic review of our revenue stream based on environmental scanning and analysis and make adjustments for a productive fit;
- (4) Prepare apportionment and allotment schemes; supplementary budget and appropriation requests and other material related to the budget process;
- (5) Develop and maintain and integrate information system and budgetary acts and laws;

(6) Establish and maintain budgetary control on the administration of all foreign assistance, overseeing the liaison between grantor agencies and recipients in consultation with the Department of Foreign Affairs and ODA Division.

(7) In conjunction to ODA, compile information needed by the Government in order to monitor all funds applied for, received, or made available to the FSM for socio-economic development, and for other purposes.

(8) Ensure that executive agencies reports, rules, testimony, and proposed legislation are consistent with the President's Budget and with Administration policies;

(9) Assist in the formulation of macroeconomic policy including fiscal and monetary policies in order to improve the private sector environment, to foster and promote free competitive enterprise, to avoid economic fluctuations or to diminish the effects thereof, and to increase employment opportunities, encourage production, and increase purchasing power. The pricing policy aspect of monetary policies shall include wage rates and interest rates and be formulated for efficient and equitable allocation and mobilization of resources. Interest rate policy shall be formulated in conjunction with the banks and the Banking Commission. The fiscal policy will be set and operated through the Government Budget and structure of tax rates;

(10) Formulate appropriate policy to encourage capital market development and financial intermediation, efficient utilization of labor, and greater and effective economic utilization of land;

- (11) Analyze and interpret statistical data available at the Division of Statistics for the purpose of determining whether such developments and trends are interfering, or are likely to interfere, with the achievement of economic policy, and to compile and submit to the President studies relating to such developments and trends;
- (12) Monitor and analyze Public Enterprises' performance and pricing to determine effective and efficient economic use of resources and make appropriate recommendations to the President and Congress;
- (13) Develop policy that encourage the privatization and commercialization process of public enterprises of the National and State governments to increase private sector participation in the economy, thereby improving economic efficiency, generating economic growth, providing an inflow of capital through direct foreign investment as a basis for long-term sustainable growth, and enhancing the welfare of the people of the FSM.
- (14) Based on established policy guidelines, adopt annual action plans specifying the enterprises and assets to be privatized by the Government and the methods to be utilized;
- (15) Prepare annual progress reports on the implementation of privatization policy for President's approval and submission to and review by Congress;
- (16) Assist and advice in the preparation of the Economic Report;
- (17) Appraise the various programs and activities of the National Government for the purpose of determining the extent to which such programs and activities are contributing, and the extent to which they are not contributing, to the achievement

of such policy, and to make recommendations to the President with respect thereto;

(18) Make and furnish such studies, reports thereon, and recommendations with respect to matters of national economic policy and legislation as the President may request;

(19) Evaluate the effectiveness of government programs by gathering periodical progress report from all government agencies and determine whether agencies are meeting their objectives and goals as laid out in their respective operational plans and the FSM SDP; and,

(20) Oversee and coordinate procurement, financial management, information, and regulatory policies. In each of these areas, the division helps improve administrative management, to develop better performance measures and coordinating mechanisms, and to reduce any unnecessary burdens on the Public.

C. Division of Overseas Development Assistance

Its duties and functions are as follows:

(1) Provide for the accounting and compilation of data and information in relation to the assistance to the FSM from foreign governments;

(2) Help in the design, appraisal, and development of aid projects in conjunction with the Department of Resources and Development and State and National Government offices and agencies.

(3) Monitor physical and financial progress of projects and maintaining adequate information for internal policy planning and donor reporting requirements;

- (4) Develop project proposals for grant assistance from bilateral and multilateral international donors for the National Government;
- (5) Develop project proposals for loan assistance from international financial institutions and other financial institutions for the National Government,
- (6) Support and coordinate grant requests and needs from municipals, NGOs, and other government agencies at the State level;
- (7) Coordinate efforts to improve overseas development assistance policies to ensure stronger international standards for aid delivery, actively seek foreign assistance funding, as well as to promote innovative financial mechanism to increase the pool of resources available to FSM,
- (8) Gather timely and authoritative information on outside sources of assistance such as grants and loans from donor countries; non-government organizations, and international financial institutions, and to disseminate and accept such information to and from the national, state, and municipal governments, non-government agencies, financial institutions, and private businesses in FSM; and,
- (9) Maintain budgetary controls on the administration and implementation of assistance from outside sources, to oversee and liaise between outside sources and recipients in consultation and coordination with the Department of Foreign Affairs.

E. Division of Compact Management

Its duties and functions are as follows:

- (1) Assist in advising the President on Compact matters;

- (2) Responsible for the day-to-day communications with JEMCO and the United States Government with regards to JEMCO and other Compact matters;
- (3) Submit information on the FSM Trust Fund to the President, Congress and State governments;
- (4) Monitor compliance on Compact implementation including adherence to grant award terms and conditions and JEMCO and Trust Fund Committee resolutions;
- (5) Assist in the preparation of annual budget for Compact sector grant assistance;
- (6) Coordinate with recipients of Compact grants for effective and efficient use of Compact funds;
- (7) Compile, develop, and analyze performance progress reports, financial management and other reports on Compact grants by all recipients and make appropriate recommendations to the President, Congress, the JEMCO and Trust Fund Committee;
- (8) Develop and maintain an integrated information management system on Compact grant assistance.

SECTION X.
OFFICE OF ENVIRONMENT
AND EMERGENCY MANAGEMENT

The office is shall coordinate efforts at the national government to ensure that environmental considerations are integrated into the strategic policy formulation process. It is also responsible for assisting the States to prevent, prepare for, and recover from natural and human induced disasters. The Office shall also have these duties and functions under the following internal Divisions:

A. Division of Environment and Sustainable Development

Its duties and functions are as follows:

- (1) To administer Title 25 of the FSM Code; coordinate and facilitate efforts to ensure that resources are effectively conserved and that the utilization of resources is done in an environmentally sustainable manner that will improve the quality of life;
- (2) Coordinate measures to address climate change issues particularly mitigation (emission reduction) and adaptation;
- (3) Advise, make recommendations and formulate policy on matters affecting environmental management and sustainable development, ensuring that environmental consideration are integrated into the strategic policy formulations process; including working with related agencies to develop policies and programs regarding pesticide regulations, hazardous waste, water and air quality and protection, earth moving and environmental impact assessment and enforcement;
- (5) Facilitate and provide research and technical assistance and other resources to build capacity of the State and National counterparts;
- (6) Monitor and ensure that international responsibilities and obligations of the FSM with regards to treaties, conventions and protocols related to environment protection and sustainable development are implemented;
- (7) Facilitate development of projects and coordinate assistance from multilateral and bilateral donors on environment and sustainable development;

- (8) Coordinate and where appropriate manage and maintain environmental protection, water quality and other related activities in the FSM in close consultation with State EPAs and appropriate authorities; and,
- (9) In coordination with the States, to set national standards in environmental science, research, education and assessment reports.

B. Division of Emergency Management

Its duties and functions are as follows:

- (1) To liaise with the US Government regarding Compact emergency grants for disaster relief in FSM;
- (2) To assist the States in maintaining their Disaster Plans and review these plans on a periodic basis to keep them up to date;
- (3) Promulgate rules and regulations setting forth minimum requirements for the State disaster plans pursuant to chapter 1 of Title 17 of the FSM Code. The regulations may include subject areas designated by P.L. No. 6-38.
- (4) Survey industries, facilities and other public and private resources within the FSM that may be useful for responding to emergency situations;
- (5) Maintain a register of persons in the FSM with the training and expertise useful in preventing, preparing for, and recovering from disasters;
- (6) Prepare and distribute to the States a list of foreign public and private assistance programs available to them;

- (7) Locate hazardous facilities publicly or privately owned, and as needed, assist the States in drafting provisions of State disaster plans applicable to such facilities;
- (8) Determine what means exist for speedy and efficient communications in the event of a threatened or existing disaster and pursue improvements as necessary to integrate or supplement such communications; and,
- (9) Keep abreast of weather conditions which could potentially develop into a natural disaster.

SECTION XI.
THE NATIONAL ARCHIVE, HISTORIC AND
CULTURAL PRESERVATION OFFICE

The Office is responsible for preserving the national records by maintaining all government and official documents and materials in a manner that shall preserve these records for easy retrieval and use for generations to come, and to further promote the national heritage by pursuing a progressive program of cultural and historic preservation throughout the FSM. Specifically, the duties and functions are as follows:

- (1) To administer Title 26 of the FSM Code; record on microfilm all governmental records and materials as required;
- (2) Upon consultation and approval of the President, exercise the powers of the National Government regarding historic and cultural preservation; and
- (3) Work closely with the States to formulate a cultural and historic preservation plan for the entire nation; and,

(4) Research and seek assistance and be responsible for the preservation and promotion of Micronesian history and culture.

SECTION XII.
COMPACT INFRASTRUCTURE PROGRAM
MANAGEMENT UNIT

The Compact Infrastructure Program Management Unit (PMU) shall be responsible for managing, coordinating, and expediting, not impeding, the implementation of all infrastructure development projects funded by grants under the Compact of Free Association, as amended. PMU shall be directly responsible to the President. Without limiting the generality of the foregoing, the PMU shall be headed by a Program Manager, who shall execute and implement the following duties and functions:

- 1) Serve as the general manager of all infrastructure projects funded under the Compact of Free Association, as amended;
- 2) Due to the technical nature of the work, the Program Manager is hereby authorized, subject to the availability of fund, to hire such supporting staff and such professionals as he deems necessary and appropriate to effectuate the execution and implementation of all infrastructure project programs and to ensure legal and technical compliances with the projects approved plans, designs and specifications;
- 3) To avoid any potential conflict of interest, which may render the Department of Justice unable to protect the best interest of the National Government vis-à-vis any adverse claim asserted by the States and/or PMU, the Program Manager may hire, recruit, or retain professionals on an independent contractor basis;
- 4) Perform such other and further duties and functions as required by the

Constitution and the Compact of Free Association.

PMU shall specifically include the followings support staff and/or position(s):

1. Program Manager

Based on the Fiscal Procedures Agreement and all applicable regulations, terms and conditions of the Compact Infrastructure Grant program, the Program Manager shall be responsible for the design, architecture, engineering, administration and management of all Infrastructure Projects for the FSM, provided pursuant to the Compact of Free Association, as amended; shall oversee the daily function of the PMU; and shall act directly on the President's behalf.

2. Contracting Officer/Engineer

The Contracting Officer/Engineer shall be supervised by the Program Manager. The Contracting Officer/Engineer shall be the allottee for appropriations funded by the infrastructure sector grants under the Compact of Free Association, as amended, and shall be responsible for and shall have the authority for the execution of project development and planning, design, and construction; commissioning, verification, management, and acceptance of contract receivables; the authority to review and to sign all documents necessary to execute, implement and terminate contracts; and to hire and to appoint consultants, engineers, inspectors, administrative contracting officers and other personnel.

3. Special Project Manager for Legal Affairs

The Special Project Manager for Legal Affairs shall advise the PMU concerning interpretation of laws, rules, and regulations; give legal opinions regarding the

legal sufficiency of contracts; draft and formulate contracts; assist in the review of rules and regulations regarding implementation of infrastructure sector grants and the development plan; advise with respect to prosecuting or defending lawsuits and legal rights and obligations relative to the PMU; in coordination with the Department of Justice, represent the PMU and its employees in court and before government agencies; and perform such other duties as may be assigned. The Special Project Manager for Legal Affairs may be detailed to the Department of Justice, Attorney General's Office.

4. Administrative Officer

The Administrative Officer shall be the office manager responsible the administration of the office.

5. Support Staff

The Contracting Officer/Engineer shall be responsible for hiring engineers, inspectors, and such other technical and support staff as may be necessary and required to support the duties and functions of the PMU. The engineers and inspectors shall work for the PMU but may be assigned to duties in the States, rotating physical assignments as necessary.

**SECTION XIII.
ADDITIONAL FUNCTIONS**

In addition to the duties and functions set forth in this Order, the President of the FSM or the head of the respective executive department or office may assign to any department, office or division further duties not incompatible with those stated herein. Such assignments shall be

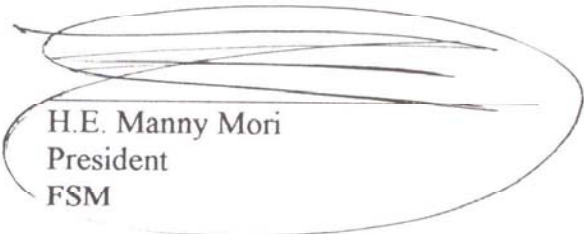
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made in writing, but shall not require amendment of this Order unless a major permanent change of duties is made.

SECTION XIV.
EFFECTIVE DATE

This amended Order shall take effect upon its execution by the President.

Date: 04-15-08



H.E. Manny Mori
President
FSM