

Marshall Islands Chamber of Commerce

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Meeting Minutes

Friday, September 12, 2008

Marshall Islands Resort

Meeting called to order by Vice President Mike Slinger at 12:15 P.M. Approximately 35 members and guests were in attendance. President Hirobo Obeketang is absent today attending a religious ceremony. The next regular meeting will be on Friday, October 10, 2008.

- **Minutes** – approved electronically prior to the meeting
- **Treasurer's report** - Bank of Guam balance \$1,306.63
- **Guests**

Carol Jones, Bank of Guam Credit Officer

- **Chamber Vice President's opening remarks**

Welcome.

I would like to make a brief note in relation to a news story that was run, and what I am sure is being discussed around town at length. And that is the recent board meeting of NTA and particularly what was voted on and by whom.

The Chamber encourages each of its business members to act as individuals and not represent the Chamber on issues that are of concern to that member.

The NTA board members who are also chamber members were not representing the Chamber when they decided to cast their vote as Directors of NTA.

They were acting strictly as an NTA Board member. Nothing that he or anyone else does in such a role can or should be construed as representing the Chamber.

How they voted is a matter for the shareholders that appointed them, and it is up to those shareholders to take the necessary action.

Having said that, we as a chamber can express our views.

- **Brief remarks by US Ambassador Clyde Bishop followed by a moment of silence**

Today is September 11th in the United States. The President of the United States has declared September 11th as Patriot's Day. What many people don't realize is that this was an international incident with victims from many nations. America is committed to protect the security of the United States and other nations.

- **Jerry Kramer's brief remarks about the Pacific Islands Private Sector Organization (PIPSO)**

This organization was created following a suggestion by South Pacific Forum leaders several years ago. Most of the members of PIPSO are from South Pacific island nations with a common European connection. Due to the difficulties of travel from the North Pacific to the South Pacific, it has been hard for the Marshall Islands to become part of this organization. I was very impressed when I personally attended a PIPSO meeting in Fiji in 2007. I was impressed with the quality of the many business leaders that attended. James Movick whose mother is Fijian and whose father is Pohnpeian is the President of PIPSO. PIPSO has a useful and informative Website at PIPSO.org. I encourage all of you to browse the site. When I was in Fiji I noticed that there were millions of dollars available in private sector grants. Currently PIPSO is looking for private sector representatives to attend an upcoming meeting in Samoa. In order for the private sector here to become active in PIPSO, there has to be a designated National Private Sector Organization that would represent all businesses.

- **Public Affairs Committee Chairman Sam Smith's report**

We will soon have a monthly update on pending and proposed legislation. Tony Muller has agreed to give me a monthly update on NTA activities. I hope to have the first such update for next month's meeting. The Ministry of Education has promised to furnish me with a monthly report in the near future. World Teach has informed me that there are 37 volunteer teachers now in the Marshall Islands and that there is a lot of interest in the United States to donate books and school supplies to the Marshall Islands. The following committee members have some information to share.

- Bruce Bilimon, Assistant Secretary of Finance. I'm the Secretary of The Tax Reform and Modernization Commission that is now active and seeking private sector input. We will soon publish a notice requesting comments, suggestions, etc. Most likely Ben Graham will replace Clora Milney who was unable to work with the commission. Jim McLean will be a proxy for the Ebeye representative Hermai Makroro.

- Jerry Kramer. We haven't been able to obtain copies of pending or proposed legislation yet. We do have a copy of the budget and a bill that you are all aware of to reduce the import taxes for certain essential imports.

A general discussion ensued regarding NTA. One member asked why NTA can't have different dial-up Internet plans like other Pacific island nations. Another member suggested that since NTA is a private business that we should not try to tell NTA what to do. A private business is only responsible to its shareholders and exists to make a profit. Rather, we should ask government to allow other companies to compete with NTA. It

appears that NTA is behind the underwater fiber optic cable project and that government supports it. There is no available public information regarding the status of the pending RUS loan or the signing of whatever contracts are necessary to proceed with the project. There was no response to another member's question about a rumor that NTA is projected to lose ½ million dollars this year after dividends. An Uliga business member reported that six times in the last month the copper wires that provide her Internet service have broken and had to be repaired by NTA technicians who said that these wires are old now and break often. She questioned how broadband access could be delivered over such old wires. Jim McLean made a presentation to the NTA board recently recommending among other things that the copper wires be replaced with wireless to support the delivery of broadband. Colin Allen, NTA Customer Service Manager, informed the Chamber that we can all work together to improve NTA services. He will advise NTA management of the customer interest in separately priced dial-up subscription plans.

- **Private Affairs Committee Chairman Carlos Domnick's report**

I would like to congratulate the Minister of Justice for the noticeable improvements in Public Safety recently. The Ambassador from the RMI to Japan has been speaking with Japan Airlines officials about the possibility of utilizing empty plane capacity when returning to Japan after dropping off tourists here for the exportation of RMI products to Japan.

Jim McLean reported that ADB sponsored consultants have returned to the Marshall Islands to assist in the final implementation phase of the recently passed Secured Transactions legislation. This will involve the promulgation of regulations and establishing a local computer registry.

Ben Chutaro reported that there will be an ADB assisted Land Registry meeting on Monday, September 15th, at 10AM in the Chief Secretary's Conference Room. A letter has been prepared inviting the Chamber to attend. There will soon be a land symposium held to better explain the benefits of land registration to traditional leaders.

David Strauss proposed, and the Chamber agreed that it would be appropriate to send a letter of appreciation to the Postmaster General for all of the improvements in the Post Office. Jerry Kramer proposed, and the Chamber agreed that we should also send a letter of appreciation to the Minister of Justice. Chairman Domnick assigned this task to David Strauss.

Bruce Bilimon reported that his office is nearly finished with a comprehensive business survey.

A general discussion occurred regarding the challenges facing Public Safety. For example, metal continues to be stolen and sold for scrap. Apparently there is a new bill that would require the identification of those who sell scrap and the vetting of those who buy scrap combined with the inspection of outgoing containers.

A general discussion occurred regarding the continued inability of MALGov to empty the trash bins on a timely basis resulting in unhealthy and unattractive garbage visible in

Majuro. The Chamber will meet with the new Mayor, Public Works, and Roger Cooper of MASWC to firmly establish the responsibility for emptying these containers. The Chamber generally agreed that this should now be done by MASWC. A Chamber member sits on the Board of MASWC. MITA will soon be starting their "ABC [cleanup] Campaign." This is being done in anticipation of the October 10th JAL flight from Narita that will carry several dozen Taiwanese tourists as well. There won't be another Chamber meeting before the JAL flight. This is our last chance to attract JAL tourists. Jerry Kramer volunteered to donate a front loader, dump truck, and garbage bags. Neal Skinner volunteered to donate trash bags. Sam Smith was asked to contact Roger Cooper of MASWC. MITA should also be contacted.

Bill Weza presented the following report:

Marshall Islands Visitors Authority
Chamber of Commerce – Tourism
September 2008

eBay Training

In partnership with RMI Small Business Development Center, PATA Micronesia Chapter and Continental Micronesia, MIVA was able to invite Ms. Marilyn Paguirigan, an eBay Specialist out of Honolulu, HI, to conduct an eBay training on August 27 at the Marshall Islands Resort's Melele Room. Ms. Paguirigan offered many tips and tricks on how to set-up and conduct business on eBay which proved essential to the participants. Although 23 people signed up, only 15 were able to participate yet, they represented quite a number of businesses from the RMI.

Budweiser 16th All Micronesian Fishing Tournament

Team Pohnpei Sportfishing Club # II, led by Alex Tretnoff, aboard *Lorraine K* with Captain Gabriel Capelle, reeled in a 794lbs Pacific Blue Marlin, the biggest ever caught in RMI waters, topping both All Mike and July Billfish tournament records (719 lbs Captain Kyle Aliven in July 2001). It took the team over three hours to fight the huge monster! The winner raked in a cool \$6500.00 with their record breaking billfish of which \$2500.00 was sponsored by Senator John Silk, former Minister of Resources and Development, along with the world's worst newspaper, the Marshall Islands Journal. Team Pohnpei continues to dominate the tournaments winning its seventh tournament in a row. Go "sakau magic"!

Upcoming Events/Activities

- September 4 - PATA Micronesia Chapter meeting in Yap
- September 18-21 - Japan Asia Travel Association (JATA) World Tourism Congress and Fair. MIVA Japan to participate under the Pacific Islands Center (PIC) booth.
- September 22-26 - Manit (Culture) Week 2008. Cash donation from MIVA.
- September 25 - 2nd Jaki-Ed (traditional dress mat) Exhibition and Silent Auction at MIR's Melele Room. Iroij Michael Kabua to display family heirloom mats. Marylou Foley and Caroline Yacoe to attend representing media and interested buyers. MIVA part of organizing committee. Co-sponsored by Continental Micronesia. Donations most welcome!
- September 26 – Manit Day Holiday. Fun-filled local activities, games, music and food at Alele Musuem.
- September 24-26 - 4th Micronesian Traditional Leaders Conference. MIVA in organizing committee.

- October 10 – JAL charter flight arrival in Majuro from Narita. Anticipated 30-35 visitors from Taiwan on this flight. In Majuro for three nights departing early morning October 14.
- October 17-19 - Guam Micronesia Island Fair at Ypao Beach, Guam. Lucia Guavis and Mio Candle from the Marshall Islands Association of Handicraft Businesses to participate. Financial assistance provided by MIVA.
- October 25 - MIVA Tree Planting Day at NTA.
- October 20 - 5th Kwajalein Trade Fair organized by the Ministry of Resources and Development in partnership with USAKA. MIVA in organizing committee.
- October 22-25 - Diving, Equipment and Marketing Association (DEMA) Show in Las Vegas, NE (US). Central Pacific Expeditions to represent MIVA and other operators from the RMI.

Marshall Islands Visitors Authority
www.visitmarshallislands.com

- **Chamber Affairs Committee Chairman Steve Phillip’s report**

I’ll have a complete report for the next meeting.

Bill Weza recommended that solicitation for donations to the annual Christmas Parade begin now to allow sufficient time to collect enough money to purchase 2,500 pounds of candy.

- **New Business**

Neal Skinner informed Chamber members that his company, EZ Price, is going solar power in a big way. He estimates that 50 – 60% of his electricity will be provided by solar in the near future. Businesses and schools simply cannot afford to pay \$.47 per kilowatt hour. With the solar products that he is importing he expects a four year payback at the present cost of commercial electricity. He will also be importing more wind power, bio diesel technology, and hydroponics technology (hydroponics would help lower the high cost of food). These products and technologies are also available to his customers. There is even a small \$200 complete solar unit for households.

Tom Maus reported that a US Coast Guard cutter will visit Majuro on September 23 – 24 for the purpose of delivering RMI Sea Patrol crewman that recently participated in the new “ship rider” program. There will be a smaller crew than a US Navy ship, but this will still bring in new local revenue.

Tom Maus additionally reported that Kwajalein army commander Colonel Clark will be visiting Majuro the week of September 26th. He would like to meet with a small number of interested business people for lunch, perhaps at Lai Lai Restaurant, on September 26th. Jim McLean will disseminate more information as it becomes known.

Tom Maus also reported:

Open Invitation/Registration for the U. S. Coast Guard Mobile Training Team (MTT)

USCG Model Maritime Service Code (MMSC) - Phase One

The Model Maritime Service Code (MMSC) program is a series of multi-phase executive seminars designed to assist nations in developing, revising, or implementing maritime laws. It is jointly conducted by the U.S. Coast Guard and the Defense Institute of International Legal Studies (DIILS) and is funded by the U.S. State Department International Military Education Training (IMET) program.

Duration: September 15-19, 2008

Place: RMI Sea Patrol Conference Room, Delap, Majuro,

Tim Owens asked that the following information be disseminated to all Chamber members:

Topic One:

The Business and Information Technology Department of the College of the Marshall Islands is considering offering an internship program for students in their final semester of studies at CMI. Are any of the members of the Chamber willing to take interns during the Spring Semester 2009? If so, please send an email to timothyowens@yahoo.com with the number of interns requested, the name of the organization of type of work the intern will be doing.

Topic Two:

The Business and Information Technology Department of the College of the Marshall Islands would like to know of any organizations that might be interested in hiring Business and Information Technology students during the next year. We are hoping to assist in placing students in organizations that are interested. I also envision the possibility of holding a job fair day where the interested organizations would come to CMI and interview students. Is any organization interested in this? Are any of the members of the Chamber interested please feel free to email to timothyowens@yahoo.com

Topic Three:

The BIT Department will also be offering newly enhanced upper level accounting and information technology courses during Spring 2009. For more information please contact seyoumteshome@yahoo.com

Meeting adjourned at 1:15 PM.

Minutes prepared by:

Jim McLean