

Executive Order No. 242

Establishing the Palau Private Sector Development Council

WHEREAS, the Republic of Palau must carefully select its private sector partners in order to conform to development strategies established in the '*Palau National Master Development Plan*' ("PNMDP"), the '*Study for Promotion of Economic Development in the Republic of Palau*' ("*JICA Study*"), the Public Sector Investment Program ("PSIP") and other major planning studies and documents; and

WHEREAS, quality investment partners will increasingly present private sector development proposals as the Palauan economy continues to expand; and

WHEREAS, numerous organizations and associations exist worldwide that focus on providing private sector development opportunities and funding to developing countries; and

WHEREAS, Palau must establish the necessary mechanisms and organizational structure to permit the receipt of assistance and funding from international organizations and associations,

NOW THEREFORE, by virtue of the authority vested in me as President of the Republic of Palau, pursuant to the Constitution and applicable laws of the Republic, it is hereby ordered that a Private Sector Development Council ('PSDC') be created, as follows:

Section 1. Membership. The PSDC shall be composed of the Vice-President, the Chief of Staff, the Minister of Finance, the Minister of State, the Minister of Commerce and Trade, the Chairman of the Foreign Investment Board and the President of the Chamber of Commerce.

Section 2. Duties and Function. The PSDC shall act as an advisory body to the President and as the National Government recipient of private sector international aid. The duties and functions of the PSDC are as follows:

Executive Order No. 242
Establishing the Palau Private Sector Development Council

- a) To review proposed major private sector development projects, taking into account national development priorities as set forth in the PNMDP, the JICA Study, the PSIP and other major planning studies and documents; and
- b) To receive international aid from international organizations and associations, such as the Palau International Development Association, on behalf of the government;

Section 3. Administrative Support. The Bureau of Budget and Planning shall act as the Secretariat for the PSDC and shall provide initial reviews and analysis of proposed private sector projects .

Section 4. Agency Coordination. PSDC shall consult with representatives of appropriate government agencies, including the Foreign Investment Board, where appropriate. The Office shall also consult and interact with other appropriate international and non-profit agencies, governmental and non-governmental organizations, where appropriate.

Section 5. Reporting. The PSDC shall submit an annual report to the President thirty days after the end of the calendar and individual reports for specific project proposals.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 26th day of July, 2007, at the State of Melekeok, Republic of Palau.

/s/ _____
Tommy E. Remengesau, Jr.
President of the Republic of Palau