

MANAGEMENT ACTION PLAN ('MAP')

Fiscal Years 2013 through 2017

TABLE OF CONTENTS

I	Introduction	Pg. 3
	1 Time Frames	Pg. 3-4
	2 Plan Structure	Pg. 4
	3 Focus of Plan	Pg.4
II	Overview	Pg. 5
	1 Organizational Management	Pg. 5-6
	2 Asset Management	Pg. 7
III	Guiding Principles	Pg. 8
	1 Goals and Objectives	Pg. 8
	2 Services	Pg. 9
	3 Accountability	Pg. 9
	4 Structure and Resources	Pg. 9
	5 People	Pg. 9
	6 Community	Pg. 10
IV	Policy Priorities and Initiatives	Pg. 11
	1 Income and the cost of living	Pg. 11
	2 Transparency and Accountability	Pg. 11-12
	3 Government Operations and Performance	Pg. 12-13
	4 Employment (Jobs) and the Economy	Pg. 13-14
V	Findings and Recommendations	Pg. 15
	(Recommended Government-Wide Initiatives)	
	1 Orientation Program	Pg. 15
	2 Management Training Program	Pg. 15
	3 Performance Agreements	Pg. 15
	4 Government 'Right-Sizing Program	Pg. 15-16
	5 Incorporate the Master Plan into the Planning Process	Pg. 16
	6 Develop State Revenue Options	Pg. 16
	7 One-Stop Shopping	Pg. 17
	8 Improve Image at Ports of Entry	Pg. 17
	9 Immediate Cost Containment Measures	Pg. 17

RECOMMENDED MINISTRY INITIATIVES

		Pg. 18
1	The Ministry of Community and Cultural Affairs	Pg. 18-21
	a. Summary of Findings	Pg. 18-19
	b. Recommendations	Pg. 19-21
2	The Ministry of Education	Pg. 21-23
	a. Summary of Findings	Pg. 21
	b. Recommendations	Pg. 22-23
3	The Ministry of Finance	Pg. 23-32
	a. Summary of Findings	
	-Bureau of Public Service System	Pg. 23-24
	-Bureau of National Treasury	Pg. 24-25
	-Bureau of Budget and Planning	Pg. 25-26
	-Bureau of Revenue, Customs & Taxation	
	-Division of Customs	Pg. 26-27
	-Division of Revenue & Taxation	Pg. 27
	-Information Systems Support Services	Pg. 28
	b. Recommendations	
	-Bureau of Public Service System	Pg. 28-29
	-Bureau of National Treasury	Pg. 29
	-Bureau of Budget and Planning	Pg. 29-30
	-Bureau of Revenue, Customs & Taxation	
	-Division of Customs	Pg. 30-31
	-Division of Revenue & Taxation	Pg. 31
	-Information Systems Support Services	Pg. 31-32
4	The Ministry of Health	Pg. 32-35
	a. Summary of Findings	Pg. 32-33
	b. Recommendations	Pg. 33-35
5	The Ministry of Justice	Pg. 35-37
	a. Summary of Findings	Pg. 35-36
	b. Recommendations	Pg. 36-37
6	The Ministry of Public Infrastructure, Industry & Commerce	Pg. 37-44
	a. Summary of Findings	
	-Bureau of Public Works (BPW)	Pg. 37-38
	-Bureau of Lands and Survey (BLS)	Pg. 38
	-Bureau of Commercial Development (BCD)	Pg. 38
	-Bureau of Aviation	Pg. 38-39

	b. Recommendations	
	-Bureau of Public Works (BPW)	Pg. 39
	-Bureau of Lands and Survey (BLS)	Pg. 39
	-Bureau of Commercial Development (BCD)	Pg. 40
	-Bureau of Aviation	Pg. 40
7	The Ministry of Natural Resources, Environment & Tourism	
	a. Summary of Findings	
	-Bureau of Agriculture	Pg. 41
	-Bureau of Labor and Human Resources	Pg. 41-42
	-Bureau of Marine Resources	Pg. 42
	b. Recommendations	
	-Bureau of Agriculture	Pg. 43
	-Bureau of Labor and Human Resources	Pg. 43-44
	-Bureau of Marine Resources	Pg. 44
8	The Ministry of State	Pg. 45-47
	a. Summary of Findings	Pg. 45
	b. Recommendations	
	-Bureau of Foreign Affairs and Trade	Pg. 46-47
	-Bureau of Domestic Affairs	Pg. 47
	-Passport Office	Pg. 47
	-Office of Public Defender	Pg. 47

RECOMMENDED INDEPENDENT AGENCIES [Authorities, Boards & Commissions] Initiatives Pg. 48-49

(“MAP”) SCHEDULE OF RECOMMENDATIONS-9th Constitutional Government Pg. 49-74

MANAGEMENT ACTION PLAN ("MAP")

"Together, we can make tomorrow better"

President
Tommy E. Remengesau, Jr.

And

Vice-President
Antonio Bells

March 2013

APA	Administrative Procedures Act
APR	Annual Performance Report
BFAT	Bureau of Foreign Affairs & Trade
BDA	Bureau of Domestic Affairs
BPW	Bureau of Public Works
BTA	Belau Tourism Association
CEDAW	Convention Eliminating all Forms of Discrimination Against Women
CITES	Convention on International Trade in Endangered Species
COLA	Cost of Living Allowance
CoPopChi	Palau National Committee on Population and Children
CRPD	Committee on Rights of Persons with Disabilities
CTF	Compact Trust Fund
EDP	Economic Development Plan
EMP	Educational Master Plan
EQPB	Environmental Quality Protection Board
FEIM	Facility for Economic and Infrastructure Management
FSO	Foreign Service Officers
FSM	Federated States of Micronesia
HRD	Human Resource Development
HRIS	Human Resource Information System
JICA	Japan International Cooperation Agency
MAP	Management Action Plan
MNRET	Ministry of Natural Resources, Environment and Tourism
MPIIC	Ministry of Public Infrastructure, Industries and Commerce
MoE	Ministry of Education
MoF	Ministry of Finance
MoS	Ministry of State
MTDS	Medium Term Development Strategy
NDBP	National Development Bank of Palau
NGO	Non-Governmental Organization
OEK	Olbiil Era Kelulau (legislature)
OPS	Office of Planning & Statistics
PCC	Palau Community College
PCS	Palau Conservation Society
PHA	Palau Housing Authority
PIC	Pacific Island Country
PICRC	Palau International Coral Reef Center
PNC	Palau National Code
PNMDP	Palau National Master Development Plan
PNOC	Palau National Olympic Committee
PPUC	Palau Public Utilities Corporation
PSIP	Public Sector Investment Program
PVA	Palau Visitor's Authority
PWSC	Palau Water & Sewer Corporation
RMI	Republic of the Marshall Islands
ROC	Republic of China
ROP	Republic of Palau
USDA	United States Department of Agriculture
UNDP	United Nations Development Programme

MANAGEMENT ACTION PLAN ("MAP")

I. INTRODUCTION

The Management Action Plan (MAP) provides a medium-term strategic roadmap for the improvements in the Government of the Republic of Palau envisioned to take place during the Administration of Tommy E. Remengesau, Jr. and Vice President Antonio Bells. The Plan sets forth recommendations that were developed through the review of existing national planning documents and through a comprehensive process of governmental management and employee interviews. This plan has been adapted from the transition report and serves both as the transition report presented to the administration and the guiding document for the administration known as the Management Action Plan.

The national planning documents that were referenced to ensure consistency of goals and strategy, included the Medium Term Development Strategy (MTDS) and the Medium Term Fiscal Strategy (MTFS) finalized in 2008 by the Facility for Economic and Infrastructure Management (FEIM) intended to serve as the next 5-year economic development strategy framework within the context of the Palau National Master Development Plan (PNMDP) following the 1995-1999 Economic Development Plan (The EDP) and the 2000 JICA (Japan International Cooperation Agency) Final Report („The Study for Promotion of Economic Development in the Republic of Palau"). Other program specific planning documents considered included the Palau National Committee on Population and Children (CoPopChi) Report on Sustainable Human Development.

Specific reports for key policy issues and program areas that will be prepared separately include: The Compact Review, Uyghers Resettlement, Typhoon Bopha, Capital Complex and the Missing Police Officers.

1. Time Frames

The MAP recommendations were developed within the context of phased time frames for implementation. The establishment of different time frames is based upon the recognition that certain programmatic and structural improvements can be achieved in a relative short period of time while others will require a longer developmental period to complete. Within this context, the report categorizes recommended implementation in five different time frames.

- The First 100 Days.
- The First Year
- The Second Year
- The Third Year
- The Fourth Year

This phasing of recommendations also recognizes that the capacity of the government to make progress in achieving set goals must be reasonably limited to the capacity of the government workforce to bring about real and substantive improvements to the current government structures and policies.

2. Plan Structure

The MAP is structured to parallel the government structure. A summary of findings is provided for each Ministry rather than by sector. It was considered that this structure will facilitate real changes in governmental entities rather than produce broad statements of actions that are not tied to actual working organizations. Sectoral analysis in the previously mentioned planning documents were consequently placed under ministerial and agency headings. In addition to this approach, this report also addresses certain concerns, and makes recommendations regarding those concerns, on a government-wide basis.

3. Focus of Plan

As a roadmap document, the MAP serves as the basis for the transition of the administration and focuses on implementation measures that will enhance the performance of the National Government over the coming years. It is therefore intended that the MAP act as a living" document that will be revised periodically during the Remengesau-Bells Administration to improve, on an ongoing basis, all governmental entities that are mandated to provide for the health, safety and welfare of the People of Palau. In light of time constraints, the MAP is not intended to comprehensively identify infrastructure project requirements. Rather, it is highly recommended that the study completed in 2008, Infrastructure and Services: Needs Priorities and Costs, prepared through the FEIM, be utilized to update a Public Sector Investment Program (PSIP). These two documents will then serve to establish a comprehensive foundation for a strong and expanding economy and an efficient governmental work force for the next four years.

II. OVERVIEW

Management and employees throughout the government were interviewed regarding the strengths and weaknesses of all government ministries, departments, divisions, agencies and entities to determine the strengths and weaknesses of such entities in order to formulate appropriate recommendations to improve and strengthen the provision of the programs and services where necessary. It became quite clear from these discussions that weaknesses or strengths, across the board, are related to two basic aspects of each organization. These were (1) Organizational Management and (2) Asset Management.

1. Organizational Management

There were five general aspects of management identified that are considered necessary in order for operational entities to succeed in developing vibrant work forces that effectively support the mission, goals and objectives of that entity. These include:

- **Good Leadership** – The degree to which management follows established codes of conduct that assures rules and regulations are adhered to and hold themselves and staff accountable;
- **Program Planning** – The degree to which management has developed and utilized cohesive, practical planning structures or proper planning mechanisms that set forth the missions, goals, and objectives for the organization;
- **Functional Management Direction** – The degree to which management has provided day-to-day operative direction to staff in line with responsibilities established by statutory or regulatory authority;
- **Innovative Management** – The degree to which management has provided creative work options to meet the dynamic needs of the service population and the identification of potential funding sources and alternate actions that accomplish identified goals within current funding resources; and
- **Professionalism** – The degree to which the work ethics of operational staff has contributed to the achievement of stated goals and objectives and the relation of such ethics to the management of the organization.

The lack of leadership particularly for key public service system positions has adversely affected the quality of governmental services and programs by creating a working environment where nepotism and discrimination are rampant. Policies and procedures are selectively applied and accountability is not upheld.

Notable improvements in the delivery of governmental services can be achieved through the comprehensive improvement of strategic planning mechanisms. A review of the current planning structure indicates that in a number of governmental entities, planning frameworks were either non-existent or too generally expressed to permit the

development of clear missions, goals and objectives. This lack of cohesive goals and objectives has resulted in a lack of effective day-to-day operation. Without a clear outline of the tasks required of them, many government employees have been left without a precise definition of their job responsibilities. This has resulted in an uneven delivery of services throughout the government.

In addition to this clear lack of operational visions, a lack of functional management direction was also observed. In other words, even where clear goals and objectives existed, management failed to convey such goals and objectives and further failed to ensure that staff undertook actions to meet the stated goals and objectives. This lack of effective management oversight has diminished the quality of service delivery to the public.

A significant lack of innovative management was also apparent. This may partially stem from the failure to enunciate clear goals and objectives. With a lack of clearly defined work goals, it is difficult to imagine creative management. A prevailing management notion is that improvements to services provided are solely contingent on the receipt of additional program funding. While this is true in some cases, in most cases, significant improvements to the level of services provided can be achieved through logical prioritization, streamlining work procedures and improving inter-agency cooperation. This lack of innovative management also stems from a lack of appropriate delegation from higher management. It is difficult to be creative when a manager does not, in fact, have clearly defined management responsibilities or authority. Without such clear responsibilities, a manager is unable to implement procedures for staff that respond to the unique needs of the operation.

Finally, in many organizations, the work ethics of the employees has frequently been lacking. Once again, this probably relates to all of the management deficiencies discussed above. Without clear and enunciated organizational objectives, without day-to-day interaction with management, and without innovative and active management involvement in solving problems, it is not surprising that many government employees have not demonstrated the work ethic expected of them.

In light of these observations, major emphasis must be given to improving management in each of these areas. By emphasizing improved planning, hands-on management and by providing managers with an environment that encourages innovative approaches, the efficiency of the government can be greatly increased within its current funding and staffing levels.

It is also quite likely that when appropriate management structures are put in place, efficiencies may be developed that permit organizational restructuring that will result in reducing the costs of government services to the Public.

2. Asset Management

In addition to the problems with the management planning and implementation, the government's failure to enunciate a clear maintenance program was very apparent. The extremely poor condition of the national Capital complex is indicative of the lack of maintenance and outright neglect by the outgoing Administration. Other government properties including vehicles are not maintained and misuse and abuse of this property are rampant. Office equipment including computer systems are outdated and obsolete resulting in limited work outputs.

As the National Government continues to grow, and as demands for its resources begin to increase, maintenance requirements, if neglected, will progressively become a significant drain on the national operating budget and the operational capabilities of each government entity.

The lack of a government-wide maintenance program has led to higher equipment replacement costs and facilities improvement requirements. It has also led to a situation where, in many cases, no maintenance program exists at all.

III. GUIDING PRINCIPLES

Recognizing these deficiencies, both in terms of management and maintenance, and further recognizing the necessity of improving the provision of government services in light of continuing budget constraints and to ensure that essential government services continue uninterrupted, a set of “Guiding Principles” is offered as the basis wherein all management improvement initiatives are to be undertaken. Adopting these principles will permit management to apply a consistent approach to every governmental entity and operation. The guidelines will also ensure that the new Administration takes into account the many different interests (public sector, private sector and general community) that will be affected by resulting changes in governmental operations.

The guidelines will serve as a starting point for improvement efforts as well. These principles, when put into practice, will go a long way towards guaranteeing that the many diverse expectations of the Public will be taken into account, that equivalent standards and expectations will be applied to all governmental organizations and that clearly defined goals and objectives will be arrived at.

1. Goals and Objectives

To improve the quality of life of the People of Palau

- To ensure that the People of Palau reap the benefits of economic growth and development;
- To provide resources, support and services that will allow young people to fulfill their potential and contribute to social, cultural and economic growth;
- To provide effective health care and treatment;
- To establish educational opportunities that ensure quality education;
- To strengthen law enforcement and ensure public safety;
- To incorporate traditional values into the decision making process;
- To integrate environmental planning in all developmental planning efforts;
- To establish institutions and policies for Palau that will guide it toward achieving economic sustainability;
- To facilitate the development of the private sector;
- To recognize the greater efficiency of the private sector and defer to the private sector where it is capable of providing services;
- To increase human resource training and development through all sectors of the economy in order to attract and retain Palauan workers;
- To continue to upgrade and develop Palau’s infrastructure to act as a catalyst for a strong private sector growth and foreign direct investment;
- To diversify economic opportunities; and
- To create a stable, predictable and internationally competitive macroeconomic environment for private domestic and international investment

2. Services

To focus on quality services while aiming to reduce costs

- To pursue cost savings through improved efficiencies and process changes;
- To emphasize customer service and bringing government closer to the customer;
- To improve access to an appropriate range of services;
- To provide fair and equitable service delivery;
- To pursue alternate service delivery options, such as privatization and public and private partnerships;
- To meet public expectations through service standards and effective communication;
- To improve the use of technology to meet service needs; and
- To work towards constant improvements in the delivery of services.

3. Accountability

To ensure accountability of representatives and staff

- To base accountability on well-defined outcomes including timeliness, workload, effectiveness and cost; and
- To link accountability to community input.

4. Structure and Resources

To create a viable organizational structure

- To streamline internal administration, eliminating duplication wherever possible;
- To improve the coordination of the government's decision-making processes;
- To clearly define the government's function in relation to the private sector;
- To use existing resources (e.g. furniture, computers and office space) wherever possible;
- To ensure that management information systems are in place to monitor program effectiveness; and
- To staff restructured entities with existing employees to the extent possible

5. People

To ensure fair and considerate management of employee impacts

- To permit staff opportunities to give input on mechanisms for organizational improvement and restructuring;
- To maintain ongoing and open communication with staff;
- To identify and fully utilize human resource competencies; and
- To minimize the impacts on employee transitions through development and implementation of appropriate transition programs.

6. Community

To foster a strong sense of community while ensuring ongoing communication

- To provide regular opportunities for the community to provide input and to contribute to the process of service and program delivery;
- To clearly define stakeholders in the community and encourage involvement to ensure desired outcomes; and
- To regularly inform the community of the progress of government work efforts and plans.

IV. POLICY PRIORITIES & INITIATIVES

Recognizing the Republic's limited financial resources and the need to prioritize program expenditures to achieve meaningful results, the following policy initiatives are established as priorities to ensure that available resources are mobilized accordingly.

- Raising Income for All Palauans to cover the Cost of Living;
 - Restoring Transparency and Accountability;
 - Enhancing Government Operations and Performance; and
 - Expanding Palau's Economy and Private Employment Opportunities.
1. **Income and the Cost of Living.** Palauans who work must earn a living wage to cover their families' basic needs; the rights and benefits of Palau's retirement community should be protected; and support provided to our disadvantaged citizens. It is therefore highly recommend that the Administration work with the Olbiil Era Kelulau, in consultation with the business community, to take actions to —
- Raise the minimum wage to make sure that our people who work are able to raise their families and pay for basic needs;
 - Establish a COLA for fixed income (retirement benefits);
 - Implement a Cost of Living (COLA) adjustment for Public Service System employees;
 - Set up an affordable subsidy program for low-income and fixed-income citizens to ensure basic utility services (electricity and water/sewerage);
 - Identify the funding resources that will assure the viability of the Pension Plan Fund and ensure future benefit payments continue uninterrupted;
 - Ensure that government contributions to the Pension Plan, Social Security Fund and Health Care Fund are regularly made to ensure benefits and services are not compromised; and
 - Expand retirement benefit options for both the public and private sectors to ensure a secure retirement for Palauan citizens.
2. **Transparency and Accountability.** No one is above the law and that the law must be applied fairly and equally to everyone. This requires institutions that ensure appropriate behavior by public officials and employees alike. Towards this end, the it is urgently recommended that the Administration lead efforts to —
- Appoint a Special Prosecutor and strengthen the Office of the Special Prosecutor to ensure that this important and necessary office is operational on a full time basis;
 - Repeal current law that allows the President to suspend CIP from the bid process;
 - Restore the independence and integrity of the Office of the Attorney General in its review and deliberation of legal matters, including rescinding the Executive Order requiring the prior approval of the President in issuing legal opinions;

- Apply the law equally and fairly to all government employees in the expenditure and accounting of public funds and rescind the Executive Order exempting the President and the Vice President from filing travel vouchers;
- Fully comply with government performance reporting requirements to promote accountability;
- Pursue expanded funding support to key regulatory agencies, including the Financial Institutions Commission and the Ethics Commission to enhance their enforcement capacity;
- Define the role and strengthen the mandate of the Office of the Ombudsman in mediating the desired outcomes of government programs and services, including assistance to vulnerable people in economic hardship;
- Mandate the development of policies and standard operating procedures for all government-funded agencies, including performance benchmarks;
- Require periodic education to expand awareness of fiduciary responsibilities and Code of Ethics requirements for board members of corporations or institutions, including Commissions and Authorities;
- Restore the prior continuing education program, including orientation and training, for the Public Service System employees, to ensure understanding of their rights and responsibilities as public servants; and
- Establish clear and unbiased protocols for disseminating information and public access to government documents, including the protection of individual rights for making available public information.

3. **Government Operations and Performance.** The government must live within its means while remaining responsive to the needs of our people. The government must work for its people instead of the other way around. With this in mind, it is strongly recommended that the Administration work closely with the Olbiil Era Kelulau, and in cooperation with the Council of Chiefs, Governors Association and the business community, to undertake measures to –

- Implement a Medium Term Fiscal Strategy (MTFS), within the context of a Medium Term Development Strategy (MTDS) framework, to balance our budget and ensure accountability and productivity of expenditures;
- Ensure that the preparation of the annual audit of financial statements of the Palau Government is once again prepared in a timely manner so that it may be used to help in the formulation of the national budget;
- Institute a Public Sector Investment Program (PSIP) for infrastructure that includes proper operations and maintenance, and that prioritizes the rehabilitation and expansion of the Koror and Melekeok Wastewater Systems;

- “Right-size” our government by —
 - Streamlining the Government Structure,
 - Restructuring Personnel,
 - Outsourcing Government Services, and
 - Improving productivity and efficiency from technology gains;
 - Reviewing and strengthening social programs and services that will provide assistance for the People of Palau in the short-term, and lead to a high quality of life in the long-term including strengthening primary school programs, improving health services at the community level and increasing the reach and efficiency of public safety services;
 - Re-focusing our efforts to strengthen support for Palau’s youth;
 - Re-instituting environmental programs for future generations; and
 - Work with state government leadership to develop reliable revenue options for each State over the long term and implement practical initiatives in the short term that can provide immediate sources of revenues.
4. **Employment (Jobs) and the Economy.** Orderly private sector growth is essential to the future welfare of our island nation, supported by a strong and fair regulatory regime. In this regard, it is recommended that the Administration collaborate with the Olbiil Era Kelulau, in consultation with the Council of Chiefs, Governors Association, Palau Chamber of Commerce and other governmental agencies including the Palau Visitors Authority and the National Development Bank of Palau, to mobilize efforts to —
- Actively recruit and support quality tourism projects and partnerships;
 - Establish ongoing financing and technical assistance support programs for local businesses to meet Palau tourism industry standards in cooperation with the National Development Bank of Palau (NDBP), PVA and the BTA;
 - Support the efforts of the Palau Visitors Authority (PVA) and the Belau Tourism Association (BTA) to develop minimum standards for the provision of tourism products and services and the diversification of tourism products;
 - Develop Babeldaob and outlying state visitor attraction sites to facilitate diversified tourism products and income generating activities at the state level;
 - Facilitate funding and technical assistance support to other economic sectors for targeted development („Pillars of Growth') in cooperation with the NDBP and other appropriate government and non-government organizations in line with sustainable land management practices including:
 - Agriculture/Aquaculture,
 - Financial,
 - Fisheries,
 - Cottage Industries, and
 - Trade;

- Expand Aquaculture industry support and establish program to restock depleted marine live-stocks;
- Improve the regulatory environment to encourage and support private sector-led growth that also provides appropriate incentives for small businesses including:
 - Tax Structure Reform,
 - Transparent Foreign Investment Regulations,
 - A Well-Defined Legal System for Commercial Activities,
 - A Sound Banking and Financial Market Framework, and
 - Fair Labor and Occupational Safety Measures;
- Construct a standard two fiber pair Submarine Telecommunications Cable System (Fiber Optic) to replace Palau"s outdated and costly international satellite telecommunications infrastructure including pursuing membership in the National Carriers Exchange Association (NECA) to reduce our communications cost;
- Establish license requirements of vocational trades to encourage local participation in certain trade skills that are needed in order to build our Island Nation;
- Work with regional partners to identify regional and national economic development opportunities, to include opportunities associated with the Guam Military Build-up;
- Provide incentives that make Palauan labor (particularly for the tourism industry) more competitive and identify and generate funding for on-the-job training and education; and
- Mobilize the funding resources required in order to help accelerate the resolution of Land Ownership.

V. FINDINGS & RECOMMENDATIONS

All agency recommendations were reviewed within the context of guiding principles and basic management and structural concerns, each within the context of major national planning document recommendations and program specific planning document recommendations. In addition, certain aspects of these management and structural concerns were applicable across-the-board to all governmental agencies. This section sets forth the initiatives to respond to these government-wide concerns and then provides a “Summary of Findings” as well as a set of reform recommendations for each ministry and other agencies of the government that were reviewed.

Recommended Government-Wide Initiatives

1. Orientation Program –

It is highly recommended that the Administration institute an ongoing Orientation Program aimed at familiarizing current and new officials with government procedures including procurement, budgeting, finance and personnel.

2. Management Training Program –

In addition to an orientation program, a Management Training Program is also strongly recommended to be instituted to develop and improve management skills in the areas of record management, the use of technology in the workplace, strategic planning, administrative procedures and employee management.

3. Performance Agreements –

It is also recommended that Performance Agreements be developed and implemented with appropriate management officials that clearly identify the management goals and objectives of the operational entity and clearly relate the governments expectations of its managers as related to those goals and objectives. Such agreements should ensure accountability and provide clear policy direction.

4. Government ‘Right-Sizing’ Program –

Consistent with Policy Priorities and Initiatives identified above, an Executive Branch task force is recommended to be established to review and formulate a plan to reorganize the government to promote improved efficiencies and accountability. The initial analysis of operational efficiencies and recommended organizational restructuring should be provided by each ministry. The Task Force should then review these recommendations and provide final recommendations on the appropriate actions to be taken. Primary components, mechanisms and results of this right-sizing effort will include:

- Personnel restructuring – Where operational efficiencies or duplications are identified, it may be necessary to restructure the relevant governmental entity or

entities. This restructuring will clearly impact government employees. It should therefore be the overriding concern of the government to minimize this impact through the development of a “Government Employee Transition Program”. Because restructuring may impact personnel positions throughout the government, the Program must have in place mechanisms to respond to required personnel movements, including:

- A “Retraining and Placement Program” for employees who must learn new skills;
 - A “Severance Pay Program” to permit payments to employees who will leave the government as a result of restructuring in the Civil Service System; and
 - Effective job evaluation systems to promote productivity.
- Privatization of appropriate government functions, where economically feasible, such as security and janitorial services, maintenance services, including repair services, and basic infrastructure services, to include water and sewer services, solid waste disposal and large government contracts.
 - Reorganization by Attrition – In order to minimize the impact on current government employees, it is recommended that, where possible, reorganizations should coincide the retirement of certain management personnel. Within this context, it is anticipated that recommended measures for improvement in services be carried out under the current agency structures.

5. Incorporate the Master Plan into the Planning Process –

The Republic has a very comprehensive National Master Development Plan that should be integrated into the planning and budgeting process of all governmental agencies. Unfortunately, it does not appear that this document was even consulted by the previous Administration. While some governmental entities have implemented the Plan’s major recommendations, other entities have not undertaken any of the recommended planning actions. It is therefore recommended that the strategies of the National Master Development Plan and other sector specific strategic plans as prioritized in the MTDS be incorporated into the annual budget process.

6. Develop State Revenue Options –

As the Republic continues to expand and as economic development begins to occur outside of Koror, it is imperative that states identify, in conjunction with the National Government, their own unique revenue generating options. These options should be complementary with, not in conflict with national revenue generation. In line with Policy Priorities and Initiatives outlined previously, it is recommended that a task force be created, with each state as a member, and with the technical assistance of the National Government, to identify quality options and to then solidify those options in law.

7. One-Stop Shopping –

It is also time to rationalize private sector business requirements imposed by the government. In other words, a single location must be created to allow for document pick-up and processing by Palauan and Foreign businesses. However, the single location must be in or within the vicinity of the Capital to help facilitate the full utilization of the Capital complex. It is therefore recommended that a Task Force be created to develop a strategy to enable document pick-up and processing, utilizing a combination of locations with eventual consolidation at the Capital. Agencies that could be represented at this single location might include Tax, Customs, Immigration, Labor, Passport, Land Registrar and the Foreign Investment Board.

8. Improve Image at Ports of Entry –

The Republic must continuously work to improve the first impression of its representatives to visitors and guests at all ports of entry, especially at the airport. It is therefore recommended that policies and procedures be reviewed and strengthened to standardize and improve dress codes and visitor interaction standards. All agencies that interact with foreign arrivals should be more sensitive to the need to create a positive impression while continuing to perform their primary functions. Ongoing trainings must be implemented to continuously improve customer relations while ensuring the performance of required duties.

9. Immediate Cost Containment Measures –

The Committee recommends that immediate measures be put into place to limit expenditures until a comprehensive restructuring Plan is formulated. Towards this end, it is recommended that Presidential Directives be issued to institute: freezes on new hires for certain positions, travel on locally funded accounts, and the adoption of energy conservation measures. The Committee further recommends that the Administration consider updating and adopting anew the Cost Reduction Plan prepared and implemented in 2002 pursuant to RPPL No. 6-21.

Recommended Ministry Initiatives

1. The Ministry of Community & Cultural Affairs (MCCA)

Summary of Findings

- The MCCA is one of the more important government entities but it is often misperceived as an insignificant function in the government;
- The responsibilities of MCCA are aimed at enhancing the well-being of the community through maintenance and presentation of our traditions and cultural heritage;
- There are four bureaus under the MCCA that include the Bureau of Aging and Gender, Bureau of Youth, Sports and Recreation, Bureau of National Archives, and the Bureau of Arts and Culture;
- There is a need for a comprehensive review of the functions of the ministry to ensure that ongoing programs and services complement and do not duplicate other programs or services administered by other governmental agencies particularly for services intended to serve the youth, elderly and sports-related programs;
- A review of the organizational structure and space requirements of the ministry including the consolidation of divisions is needed to ensure clear functional direction and reduced long-term operations costs;
- Staffing requirements especially for management positions need to be evaluated and filled to ensure that programs and services are administered effectively;
- Palau is not a party to the Convention on the Elimination of Discrimination Against Women (CEDAW) and the Convention of the Rights of Persons with Disabilities (CRPD) and policy position on these important international conventions need to be articulated;
- Rules and regulations of the recently enacted Senior Citizens Discount Program need to be developed in order to implement the program;
- Existing laws need to be reviewed to ensure an effective framework for the promotion and protection of the works of local artists;
- The consolidation of important holidays celebrations including Independence Day, Olchotel Belau and United Nations Day has not necessarily reduced related-costs and seems to have diminished the value or appreciation of the significance of these holidays;
- The importance of the Youth is generally recognized by the government and community but there is no cohesive and coordinated youth policy framework that ensures effective implementation of youth-related programs and services;
- The completion of the Compact road is encouraging families that had relocated from Babeldaob to Koror to return to Babeldaob. As an incentive to this end,

- states have set aside public lands for residential housing construction but lack the funding to implement appropriate housing programs;
- Aside from sports activities, options for recreational activities and facilities that encourage family and community participation and enjoyment such as nature or theme parks are very limited;
 - The Archives Office requires a survey analysis of records before it can begin to implement and establish its record management policies and or regulations;
 - The Archives Office has run out of available office space to take in more records and to properly process records for archiving;
 - The Bureau of Palau National Archives has acquired a parcel of land (15,587 Square Meters) in Melekeok State called Bekeu Detimel and has a draft design of an archives building that was sourced locally to be used to solicit external funding proposals;
 - The Archives Office moved in February 2012 to its new temporary office location at Ked, Airai State;
 - The old Archives Office at the old Konsok building in Ngerbeched still holds some national governments records and documents but the vast majority of records and documents are stored in twenty-footer containers in different vicinities throughout Koror State;
 - The escalating predicament for the Archives Office is how to store the massive bulk of records and documents with limited funding resources;
 - The Archives Office secured a Grant Aid from Australia to fund the cost of moving the containers and purchase the supplies to upgrade and improve the containers but has been unable to meet the matching requirement and has not implemented the grant; and
 - Staffing shortfall for the Archives Office is limiting the ability of the office to properly appraise and dispose of governmental records and documents

Recommendations

- Conduct a comprehensive review of the functions of the ministry to ensure that ongoing programs and services complement and do not duplicate other programs or services administered by other governmental agencies particularly for services intended to serve the youth, elderly and sports-related programs;
- Based on the comprehensive review of the functions of the ministry, undertake a review of the organizational structure of the ministry to ensure clear functional direction and reduced long-term operations costs;
- In line with recommended organizational structure, evaluate staff and staffing requirements including space requirements to ensure that programs and services are administered effectively;

- Implement the senior citizens discount program through formulation and promulgation of implementing regulations;
- Review and identify the benefits and implications for Palau in ratifying the CEDAW convention and the disability convention CRPD;
- Review the financial standing of the Disability Fund and present recommendations for program improvements as necessary;
- Develop and recommend appropriate national policies for adoption relating to aging, gender, youth and culture to help guide and focus available resources;
- Work with local community artists and groups to strengthen laws aimed at protecting local artists and promoting the local arts industry;
- Review and determine the desirability of celebrating Independence Day, Olchotel Belau and UN Day separately in order to recognize the importance of these important holidays and to promote social and economic activities for residents and visitors;
- Work with the Ministry of Finance to secure the funding resources to enable the Archives Office to relocate and secure records and documents for archiving including the recruitment of additional staff required to ensure the proper appraisal and disposal of documents and records;
- Review and recommend a permanent organizational setup of the Archives Office that assures its sustainable operations;
- Review and improve the implementation of the National Youth Policy aimed at providing resources, support and services to our youth to enable them to fulfill their potentials and contribute to our cultural and economic growth;
- Work with traditional and state leaders, on an on-going basis, to ensure the incorporation of traditional values into programs and services provided;
- In line with national youth policy, determine the feasibility of establishing a Youth Corps program that offers a structured and stable environment conducive to learning fundamental life skills and provides educational and training opportunities to disadvantaged youth including the establishment of a ROTC or similar program in secondary education;
- Collaborate with the Palau Housing Authority and the National Development Bank of Palau to mobilize funding to expand affordable housing to families in need particularly for Babeldaob;
- In cooperation with the Palau Visitors Authority and the Ministry of Natural Resources, Environment and Tourism to develop family-oriented recreational and natural parks for our people and visitors to enjoy;
- In cooperation with the Palau National Olympic Committee, determine the feasibility of designing and constructing a modern sports training facility to support health and healthy lifestyles as well tourism product diversification policies; and

- Consistent with national youth policy, create diverse incentive programs for our youth in sports and academics emphasizing achievement and awards in cooperation with the Palau National Olympic Committee, the Ministry of Education and the Palau Community College.

2. Ministry of Education

Summary of Findings

- The MOE continues to implement the Education Master Plan and develops annual plans to guide its implementation;
- The Board of Education has not been appointed or organized, and has not been operational for over twelve (12) years;
- President Johnson Toribiong’s Public Education Task Force recommended an amendment to 22 PNC to eliminate all references to the Board of Education, which would eliminate the Board permanently;
- The MOE operates through public laws, particularly Title 22 of the Palau National Code and the Public Service System Rules and Regulations, both of which need to be reviewed and updated;
- The development of a MOE Policy Manual is ongoing and about 70% completed;
- The MOE School Handbook has been developed and became effective on August 2010;
- No medium term budget plan has been adopted;
- The central data reporting management system has reporting gaps and cannot provide a comprehensive report on all regional education initiatives the Ministry of Finance is engaged in;
- The School Lunch Program lacks financing;
- Some text books and other instructional materials are outdated;
- The pay schedule for public school teachers is uneven;
- Public school facilities including busing require consistent maintenance to ensure an environment conducive to learning;
- Some public schools remain in land disputes with private landowners;
- The Melekeok, Ngiwal, and Ngchesar elementary school consolidation has not been analyzed as to whether it is an appropriate mechanism for improving learning for the students, or for a cost-benefit analysis;
- The Palauan Studies textbook is not utilized uniformly across all targeted school grades;
- The bidding process and delivery of textbooks and instructional materials is not conducted in a timely manner, which results in some classes starting before the books arrive, thereby hampering the early weeks of instruction before the books arrive; and
- The vocational and trade program at PCC is underutilized and there is scope for improved collaboration with the vocational trades curriculum offered in Palau High School.

Recommendations

- Review the mandate of the Board of Education and determine whether it is necessary to the administration of the Ministry of Education and recommend appropriate actions to take;
- Review and identify updates required of the governing statute of MOE, 22 PNC and other governing laws of education;
- Review the relevance of the MOE School Handbook that was implemented August 2010;
- Revisit and update the MOE policy manual that is 70% completed, following or simultaneous to the amending of 22 PNC;
- Review and sequence annual implementation plans of the Education Master Plan (EMP) to determine a workable medium-term budget requirement under current level of funding and real budgetary gaps, coupled with improved monitoring and evaluation;
- Consistent with the EMP, review and strengthen the implementation of maintenance plans including facilities and school buses;
- Review central data management system to assess gaps and remaining needs to enable full utilization of the system;
- Assess the research requirements of the Ministry and present a working paper toward establishment of a core research unit for the MOE in the Division of Research and Evaluation with resource requirements;
- Develop an exit strategy in preparation for reduction or phase-out of federal programs such as Adult Education Program and others;
- Present a working paper on options for financing the school lunch program and promoting local food component;
- Produce a report on all regional education initiatives MOE is engaged in to include benefits, obligations and other international or regional commitments of Palau to define a forward course of participation;
- Take stock of all public school books, instructional supplies and equipment with recommendations for re-stocking or replacement as necessary;
- Propose a strategy for addressing the lingering land disputes involving some public schools current placement, in consultation with the Office of the Attorney General and the Palau Public Land Authority;
- Conduct an analysis of the Melekeok, Ngiwal and Ngchesar elementary school consolidation for both educational benefits to the students and cost-benefit analysis in order to inform future direction on remaining schools' consolidation;
- Expedite the financing of development and utilization of Palauan Studies textbooks across targeted school grades;
- Recommend to the Minister and President an alternative approach to ensuring a timely bidding process and delivery of textbooks and instructional materials;

- Collaborate with PCC to utilize existing resources and services to strengthen the vocational and trade program at PCC and at the Palau High School (i.e. absorption of GED/AEP graduates);
- In line with the ENT, prioritize available resources toward Primary School Programs in Palau to provide a solid foundation for learning;
- Ensure an instructional environment that is conducive to student learning, including an appropriate curriculum and the provision of sufficient textbooks, computers and supplies;
- In cooperation with the Bureau of Public Service System, strengthen personnel and certification systems for educators and focus on proper levels of compensation to help ensure continuous improvement in the quality of education;
- Review and strengthen Primary and Secondary curricula;
- Determine feasibility of establishing Alternative Learning Centers for disadvantaged and high risk youth so that they can reach their full potential;
- Support Afterschool Programs that provide tutorial and enhanced learning skills to help reduce dropout rates and to help students reach their full potential; and
- In cooperation with the Council of Chiefs and the Governors Association, identify possible locations for a new Public High School in Babeldaob.

3. The Ministry of Finance

Summary of Findings Bureau of Public Service System

- Personnel hiring particularly for key positions have not followed the Public Service System rules and regulations in violation of the Public Service System Act;
- Public Service System hiring has been allowed for personnel that do not meet minimum requirements for the positions applied in contravention of the Public Service System Act;
- Wage and salary adjustments for government employees have not followed the guidelines established under the Public Service System Rules and Regulations and approved salary schedule in violation of the Public Service System Act;
- Services contracts have been executed in violation of the Procurement Act;
- Decisions of Grievance Panels against the Government have not been fully complied with or have been slow in enactment in defiance of the Public Service System Act;
- Training and awareness on Public Service System Rules and Regulations is not conducted to ensure management compliance and protection of employee rights and privileges;
- BPSS personnel require continuous training on Human Resources Development (HRD) and processes to better evaluate and assist in the development of full staffing plans and appropriate compensation packages;

- The Public Service System compensation and benefit packages do not address costs-of-living and fuel allowance (domestically) and creates undue hardship especially for those working at the Capitol building in Melekeok;
- The current Personnel Listing is not updated because it includes people who should not be in the system anymore (due to death, retirement, termination, etc.);
- The current Personnel Listing was reviewed and it appears that there are positions (both civil service and service contracts) that are responsible for similar duties and may be replicating efforts and/or slowing down work processes; and,
- The BPSS staff is ill-equipped to perform their duties and responsibilities. In addition, the current office equipment is mostly obsolete and requires technical assessment. Finally, the BPSS does not have a Human Resources Information System (HRIS).

Bureau of National Treasury

- Payments appear to have been issued without proper authorization and documentation in contradiction of established internal control procedures and funding authorization;
- Proper cash management is not being practiced and payments are not being prioritized accordingly;
- Audit findings are not being properly addressed and raises the risks for funding loss particularly for US Federal Program grants;
- Local procurement requirements for purchases totaling \$10,000 or more is increasingly limiting the ability of program managers to timely implement grants resulting in increased risks of funding loss and audit findings;
- General Fund unreserved fund balance (budget deficit) at end of FY 2012 is estimated at over \$16 million;
- Last completed audit of the ROP National Government was for FY 2010 with FY 2011 audit still ongoing, which is already 6 months late and the FY 2012 audit has not been put to bid;
- Total ROP outstanding debt is estimated at the end of FY 2012 is \$25 million including the balance of the Capitol Complex (\$9.1 million), Palau International Airport (\$5.9 million) and the most recent Asian Development Bank that was part of the water and sewer loan (\$10 million);
- BNT records show Compact Trust Fund at about \$151 million at the end of FY2012;
- General Fund accounts receivable at the end of FY 2012 is about \$1.6 million;
- Pending adjudicated claims against the ROP is \$131,175 (CA No. 10-158 “Alien Registration Case”);

- A total of \$9 million has been withdrawn from the Compact Trust Fund for FY2013 that is \$4 million more than what was authorized and appropriated and is also in violation of the terms and conditions under the Compact;
- BNT records show total Accounts Payable at the beginning of December FY 2012 at \$7.5 million including over \$700,000 for PPUC and about \$782,000 for International Dues & Fees; and,
- RPPL No. 8-52 enacted by President Toribiong under the Declared State of National Emergency as a result of Typhoon Bopha authorized \$10 million and appropriated \$5 million from local revenues for recovery efforts of which \$500,000 was disbursed directly to the BOPHA Disaster Mitigation Task Force.

Bureau of Budget & Planning

- Established budget formulation procedures have been regularly by-passed and standard revenue estimation practices ignored at the direction of the Offices of the President and the Vice President that have resulted in ineffective annual operating budgets that have only served to further limit the ability of government agencies to effectively administer the programs and services they provide;
- The budget expenditure certification process mandated by law has been regularly disregarded by the offices of the President and the Vice President resulting in illegal budget over expenditures and questionable expenditures as well as unnecessary delays in the processing of agency procurement requests;
- Annual performance reporting required by law of budgeted activities has not been prepared or utilized in the development of agency operating budgets because of the direction of the offices of the President and Vice President resulting in annual budgets that do not reflect priorities in line with stated policies and poor accountability for improved programs and services;
- The lack of appreciation and support of reliable statistics by the offices of the President and Vice President as well as staffing constraints resulted in the stoppage of the compilation and publication of key economic and social statistics. This included not conducting the 2010 Census of Population and Housing despite having secured funding from OIA-DOI that would have updated key socio-demographic data to assess the effectiveness of approved development strategies and Palau's progress toward economic development;
- A Medium Term Development Strategy Framework (MTDS) and a component Medium Term Fiscal Strategy Framework (MTFS) finalized in 2008 that identifies a medium term economic development and fiscal strategy to balance the budget and ensure a sustainable economic growth path has not been adopted as a result of the unwillingness of the offices of the President and Vice President to implement them;
- Inconsistent power supply and fluctuations at the Capitol have compromised the integrity of the server and backup system that has raised the risks of irrecoverable

- data loss; and,
- Full staffing plan developed in 2008 call for 18 full-time personnel but at present only 7 positions are filled resulting in limited work outputs particularly for statistics compilation and performance reporting.

Bureau of Revenue, Customs & Taxation

Division of Customs

- The Division of Customs has an added responsibility to assess and collect new duties imposed on certain beverage containers that are earmarked to fund the recycling program for cans and plastic containers without additional funding support and lacks the capacity to provide a detailed report of the duties collected;
- The Division has also been charged with the collection of the “Green Fee” that is being imposed on non-Palauan passport holders for the purpose of financing the Protected Areas Network (PAN) and again with no additional funding support;
- Customs code and regulations is outdated and requires immediate updates and revisions to bring it up to date with international standards and protocols. There has been a new proposed legislation that should be pushed for review and consideration is the leadership;
- A comprehensive Customs legislation has been drafted but no legislative action has been taken;
- The Division appears to be understaffed given the increase in number of flights as well as activities at the seaports. Coupled with the insufficient budget to address maintenance needs for vehicles, upgrading of computer systems and network as well as incentives for employees may have affected employees’ work output. The potential risk is that the employees’ work morale and performance becomes low leading to significant loss of revenue to the Government;
- There appears to be a lack of communication and coordination with the Tax Office in terms of exchanging information on licensing, waivers and exemptions for certain duties and other requirements;
- Procedures and protocols dealing with other agencies such as Bureau of Public Safety (Ministry of Justice), Office of the Attorney General (Ministry of Justice), Port Authorities, Financial Intelligence Unit, Bureau of Foreign Affairs (Ministry of State) and Bureau of Agriculture (Ministry of Resources & Development) are not documented or standardized for all involved to follow; in addition, there appears to be misunderstandings and at times conflicts with the functions and authorities of the Division and the other agencies when certain situations arise;
- The K-9 Program or the Drug Detector Dog Unit has been the same with no significant improvements. Existing dogs are not in good condition and there has not been any plan to acquire new dogs or even provide training to handle to ensure continuity of the program;
- Current process for clearance of vessels at the port lacks proper control needs to

- be re-evaluated for effectiveness;
- Import taxes may have been waived in violation of the law for certain imported items including vehicles, alcohol and tobacco products;
 - There are potential abuses in the implementation of the current Tax Free Zone legislation with some imported items being exempted from import duties;
 - The Customs Information system is comprised of 2 subsystems - one for receipting and another for import entry. Although these two systems are connected they are on separate platforms and need to be collapsed into one. One of the major set-backs caused by this is that there can't be more than 2 users logged on the import system at one time. The company that provided the software has dissolved and system updates are no longer available.

Division of Revenue & Taxation

- The Tax Information System has not been upgraded since inception and therefore could not be migrated to accommodate new Windows Operating systems. No assessment has been made since to determine whether it would be advisable to upgrade the system or explore the feasibility of a new system. There does not seem to be much of an effort to improve or modernize the tax information system;
- The building that houses the Tax Office and Utilities Office is not in good condition with leaks in the roofs that may have caused some damages to the files in the office. Besides minor rearranging of staff workstations within the office there appears to be no immediate plans or attempts to locate and secure a more improved physical condition of the office;
- The current process of addressing taxpayers who fail to file tax returns appears to be in contrary to the intent of the existing statute requiring the Director to issue notice of non-compliance first before assessment could be made. Apparently current practice is that the Director issues an assessment first rather than the notice and that eventually takes away the taxpayer's opportunity to voluntarily comply as the law initially intended;
- There appears to be issues with the staff not being utilized to perform duties and responsibilities as prescribed under their position descriptions and/or actions to appoint, reassign, reallocate, and readjust salaries of certain employees of the Division. This may have resulted in low work morale for some employees as well as human resources not utilized or skills not aligned with responsibilities to ensure the desired level of productivity;
- There seems to be lack of management initiatives to communicate changes or plans to secure training to enhance employees' skills and consequently may result in poor customer service.

Information Systems Support Services

- The Capitol computer network is in disarray - network switches have burned out

due to power fluctuations at the Capital but have not been replaced, network changes are not documented and tracked, IP rules are not being applied for the whole Capitol complex, backup battery for the network needs to be replaced, all switch racks batteries are non-functional, and the file server and backup is inappropriate making it difficult for employees to back up their work to the network server;

- The Digital Archiving software license has expired and the server is not operational exacerbating storage space constraints, documents loss and raising risks to audit documentation non-compliance;
- The Capitol complex has 2 phone systems (Presidents Office PBX and Capitol PBX) that have not been properly maintained; requiring reprogramming that has resulted in frequent service interruption and disruption to Capitol offices' daily operations;
- The Capitol complex CCTV Security System servers are not operational, cameras and door access security servers are offline, and door access panels need to be replaced;
- The Time and Attendance System server is offline and time cards are being not used;
- The Internet System DNS servers are offline;
- eMail System has had no maintenance and the IP address is listed as a spam source due to computer viruses and nonexistent spam management;
- The PalauGov.Net Website has had no regular updates, the website is out of date, and no current information has been published for some time; and
- ISSS personnel have not been properly trained on maintaining the Email system, PBX system, Network infrastructure, Archiving system and Security system.

Recommendations

Bureau of Public Service System

- Review and determine the need to impose civil and criminal penalties for violations of the Public Service System Act and its Rules and Regulations;
- Establish regular training on Public Service System Rules and Regulations to ensure management compliance and that employees are aware of their rights and privileges as well as consequences for non-compliance and non-performance;
- Develop continuous training programs for BPSS personnel on HRD and evaluation;
- Review and advise the viability of including an automatic COLA and fuel allowance in the Public Service System compensation and benefit packages;
- An assessment of the current pay scale/schedule should be completed. In addition, creation of a standardized schedule that outlines the appropriate levels of certain jobs (specifically the management positions such as Chief, and Director);
- The Personnel Listing should be updated on a regular basis to include the most

- up-to-date information;
- A thorough review of the personnel listing and position descriptions (both civil and service contracts) should be completed to ensure that work is not being duplicated. If certain positions and/or offices are found to be duplicating efforts, further assessment should be taken to find a more efficient and cost effective solution; and,
 - A technical assessment should be completed to review all the needs and requirements including hardware, software, and networking needs. It is also recommended that the Division look into acquiring a Human Resources Information System (HRIS).

Bureau of National Treasury

- Review internal control procedures to ensure payments issued are in compliance and determine the need to impose civil and criminal penalties as necessary to ensure strict adherence;
- Review and update Cash Management Policy to ensure that payments are made in a timely manner;
- Review and determine the need to amend the Procurement Act to increase the minimum purchase amount required for bid and the bid notice period;
- Review and determine the necessity of re-establishing the Compact Trust Fund (CTF) Advisory Board to review the performance of the CTF and ensure compliance with draw down procedures; and,
- Re-establish coordinated procedures for following up and ensuring corrective actions are undertaken of audit findings.

Bureau of Budget & Planning

- Re-establish the Revenue Forecasting Committee to help produce reliable revenue estimates and support the formulation of the annual national budget;
- Work through the Minister of Finance with the Office of the President to introduce legislation to restore the annual budget preparation and submission deadlines pursuant to RPPL No. 6-11;
- Work through the Minister of Finance with the Office of the President to eliminate the Office of Budget and Grant Oversight (OBGO) pursuant to Executive Order No. 277 that duplicates and interferes with the authority and responsibilities of the Bureau of National Treasury and the Bureau of Budget and Planning;
- Re-establish on-going program of support to agencies to build capacity to comply with the performance reporting requirements of RPPL No. 6-11;
- Re-establish the regular reporting of economic and socio-demographic statistics including the Statistical Yearbook and quarterly economic indicators;
- Work through the Minister of Finance with the Office of the President to adopt and implement the MTDS and MTFIS;

- Work with ISSS to update and implement the DILOG budget module; and,
- Seek capacity-building funding to achieve full staffing and ensure work outputs continue uninterrupted especially for key mandates including performance reporting and planning and statistical analysis.

Bureau of Revenue, Customs & Taxation
Division of Customs

- The goal is to identify and achieve the level resources required to provide for effective and efficient services required by the Division of Customs. It is recommended that the current structure and workflows of the Division be revisited immediately with a view to utilize existing resources by identifying core business processes and align them with key functions and matching the functions with existing personnel skills accordingly to try and meet the level of demand for service. In the process, areas of shortfalls could be identified and management should be tasked with the responsibility to seek ways to obtain resources to address shortfalls. Stronger leadership with some degree of creativity and innovation is required to achieve this goal;
- To improve communication and coordination and encourage productivity and good performance. It is recommended that the existing management be reassessed and tasked to take full responsibility to overall performance of their office. It is encouraged that management develop their own strategic plans and communicate such plans across the organization for everyone to understand and work to meet the expectations of the management;
- To provide for a fair, transparent, and customer friendly process and procedures guided by a sound Customs Code and Regulations. To achieve this goal, it is recommended that the leadership review and consider proposed legislation for Customs and perhaps consider elevating the Division to a bureau level;
- To establish standardized procedures and protocols for handling specific situations that requires collaborative efforts across agencies and governmental boundaries. It is recommended that a working group be created to review past, present and future situations to formulate these procedures and protocols. The Working group should be mindful of the level of professionalism and integrity and perhaps may be worthwhile to explore what other jurisdictions are going to handle specific situations;
- To ensure effective and professional conduct with regard to handling of drug smugglers and contraband, it is recommended that the existing K-9 Program be reviewed. Their areas of need and required resources should be assessed to ensure they have adequate resources to complete their tasks;
- To put in place more effective control, management and procedures for vessel clearance process at seaports it is recommended that the current process of vessel clearance be reconsidered to give Customs more control to ensure full compliance of the law and protection of our borders. It is advisable to secure a controlled area

within all the commercial seaports for the purpose of clearing vessels and cargos entering the Republic and at the same time impose strict fines and penalties for violators;

- Work with ISSS to upgrade and fully integrate the Customs Information System that ensures efficient tax and data processing and reporting including procuring and installing the required backup server and replace obsolete hardware and software; and
- To minimize potential for abuse and clarify intents of the laws affecting Customs operations it is recommended that the services of the Attorney General's Office be utilized to assist in clarifying language of the laws and their intents so they can be communicated for public awareness.

Division of Revenue & Taxation

- To improve efficiency and effectiveness of the tax information system it is recommended that the system is assessed to determine feasibility of upgrading or perhaps it would be necessary to immediately plan for the development of a more effective and efficient system.
- To provide a safe and decent work environment it is recommended that the management work with the President to seek possibilities of identifying funds to temporarily fix the existing leaks and explore more long term solutions to design and build a more secured and professional office building.
- A friendly customer service environment that also provides efficient and effective work processes with procedures that are easy to implement needs to be created. It is recommended that the management assesses existing processes and procedures to identify areas for improvement and recommend any changes to the statutes that will accomplish this goal.
- To improve productivity of the office and performance of individual staff, existing personnel structures need to be reviewed and aligned with employees' skills with job requirements and functions. The means to improve employee morale and performance should also be provided along with opportunities for training and development of staff capacity to carry out effective enforcement of tax codes.

Information Systems Support Services

- Immediate replacement of the Capitol computer network necessary hardware including switches, file servers, switch racks and backup batteries.
- Re-instituting Network Policies & Procedures that ensure proper operations and

- maintenance of the Capitol complex computer system including documenting network changes and re-establishing IP rules for whole capitol complex;
- Re-establish Digital Archiving including server replacement and renewal of software license as necessary to address storage space issue and audit documentation requirements;
 - Undertake immediate maintenance and reprogramming of the Capitol complex 2 telephone systems including replacement of backup battery and documentation of phone lines;
 - Activate the Capitol complex CCTV Security System including bringing the system servers and cameras online and including the replacement of the door access panels;
 - Start utilizing the Time and Attendance System again by bringing the server online and using the RF Identification Cards;
 - Bring the DNS servers back online to ensure effective interne utilization;
 - Immediately implement eMail system maintenance including the installation of anti-spam managing software and anti-virus for the entire network;
 - Take down the Website and update as required and assign a web administrator to be in charge of regular updates;
 - Review whether a service fee can be charged for all Ministries/Offices that utilize the ISSS services; and,
 - Personnel - Need Training on Email system, PBX system, Network infrastructure, Archiving system and Security system.

4. Ministry of Health

Summary of Findings

- The MOH consists of over 400 employees across two Bureaus – the Bureau of Clinical Services and Bureau of Public Health, with administrative and other supporting services under the overall guidance and leadership of the Minister of Health;
- The MOH is reorganized under Executive Order 269 but the current structure requires further changes are necessary for efficient and effective operation;
- The sliding fee schedule for insured patients is out of date and needs to be revisited;
- Money from the Health Care Fund (HCF) does not flow through to the Ministry of Health in a timely or dependable fashion;
- There is a lack of local capacity that leads to numerous off-island referrals;
- The Ministry’s Health Information System (HIS) does not effectively serve its needs;
- The Ministry of Health’s vision and mission statements are well developed, articulated and readily visible in the workplace, with many of the divisions having their own plans but it was observed that many of the plans were not well implemented, including but not limited to the Quality Assurance Program, the Human Resources Plan, and the Bureau of Hospital and Clinical Services Plan;

- The most often stated reason for lack of implementation was funding shortage;
- This funding shortage was seen as the underlying reason for inability to fully staff required services, ranging from physicians, nurses to ancillary services and other support services throughout the Belau National Hospital as well as the inability to provide required compensation (e.g. 15% night differential, 20% on-call pay, holiday and overtime pay, merits increase and promotions);
- In addition, shortage of funds was often given as the reason for lack of drugs and supplies as well as malfunctioning equipment and lack of adequate storage;
- The reported lack of funds has led to understaffing of the Ministry that has resulted in fatigued health providers working in less than optimal environments resulting in compromised quality of care and also contributing to low morale among workers; and
- The billing procedures and collection efforts of the Ministry are insufficient, leading to a loss of much-needed revenue.

Recommendations

- Focus available resources on community based preventive health care to promote better health, reduced health care costs and higher quality of life;
- Enhance program support for capacity building of Palau's medical professionals toward improved diagnostic and treatment services on-island;
- Expand community involvement in health care oversight and provision;
- Identify and access additional U.S. federal and international health care funding opportunities, focusing on the development of community health care;
- Ensure sufficient and consistent levels, at all times, of medical supplies, medical tools, and medical equipment;
- Ensure on-island dialysis treatment;
- Strengthen support for professional recruitment, training and compensation packages in order to increase the pool of qualified medical professionals including nurses and doctors;
- Identify expanded U.S. Federal and international opportunities for enhanced recruitment and subsidization of medical professionals;
- Identify expanded and enhanced regional partnerships to improve the provision of comprehensive and affordable medical services to the People of Palau;
- Expand affordable off-island medical care options for our medical evacuation program for the treatment of conditions that cannot be managed in Palau; and
- Identify funding for the relocation and construction of a new National Hospital.

These recommendations were developed by the subcommittee with input from Ministry of Health staff, across the board.

Personnel

- Hire Orthopedic Surgeon
- Hire 2 ER doctors

- Hire 1 internal medicine doctor
- Hire 1 Pediatrician
- Hire 1 doctor for Peleliu CHC
- Hire 9 nurses
- Hire additional 17 nurses
- Initiate job reclassification and salary upgrade for nurses
- Compensate current pharmacist appropriately
- Hire 1 additional pharmacist
- Fill 2 vacancies for lab
- Hire additional 1 lab tech
- Hire 1 additional x-ray staff (including ultrasound tech)
- Hire 2 additional x-ray tech
- Arrange for mammogram reader
- Hire 4 staff for maintenance
- Promote and adjust salary of kitchen staff
- Fill 2 vacancies for laundry
- Make appropriate personnel adjustments
- Hire 3 staff for medical supply
- Hire 2 additional staff for billing and collection (1 clerk and 1 accounting/billing staff)
- Hire 3 additional staff for medical referral (UR*, Manila and BNH)
- Review and optimize HIS staff (PHIS and HIS)

Organization

- Rescind EO 269 and replace with appropriate structure
- Implement Bureau of Hospital and Clinical Services plan
- Implement Quality Assurance Program
- Implement Bureau of Nursing, include in new EO reorganization
- Review and finalize appointment as appropriate (Staff who are currently Acting)
- Reassess organizational/management support of supplies and procurement
- Complete policies and procedures manuals for all units

Policy

- Review fee schedule including sliding fee scale with respect to insured persons
- Review Health Care Financing Act to improve flow of funds from HCF to MOH

Equipment

- Purchase tools (testing and analyzing, calibration of equipment see attached list from Biomed office) and supplies for Biomed Unit
- Repair 2 walk in freezers, replace ice machine in Kitchen

Building and Facilities

- Provide adequate storage space for Biomed Unit
- Solve rat issues in Kitchen
- Review relocation of Palau House in Manila (lease vs. buy)
- Additional storage space for Pharmacy
- Review and implement Human Resources plan. Ensure training needs of all units are addressed

Continuing Education and Training

- Review and implement Human Resources Plan and ensure training needs of all units are addressed

Special Services

- Secure funding to bring in specialists
- Reduce Medical Referral cases by building local capacity
- Establish eye clinic
- Secure funds for hyperbaric services and oxygen supply
- Ensure availability of Renal Nurse

Support Services

- Management into budget preparation
- Hire/ Contract IT consultant to help develop a plan for HIS
- Consider possibility of combining PHIS with hospital based HIS
- Address pay level and salaries of nurses, ancillary services and other support staff
- Improve the billing and collection process to increase cash flow

Work Environment

- Establish a cafeteria for MOH staff on the BNH grounds
- Facilitate social activities (i.e. Picnics, TGIF, fishing derby)
- Facilitate Attaboys/ Attagirls programs (appreciation activities)

5. Ministry of Justice

Summary of Findings

- The Organizational Chart of the Bureau of Public Safety (BPS) does not reflect the proper organization of the Bureau;
- The BPS organizational chart was modified in December of 2011 placing the Director and Deputy Director in one box and this modification appears to have caused confusion regarding the Chain of Command;
- There is a lack of appropriate manpower in each division to sufficiently perform required duties;
- Purchasing of fuel, specialized equipment, uniforms, and other vital items necessary for daily operations has been a challenge due to budgetary constraints;
- Issues such as unfair hiring, promotions, inappropriate police behavior or other such internal affairs are not being handled by an appointed Board or Commission, as they were in the past;

- Despite management shortcomings, budgetary constraints and other internal issues, BPS personnel have been robust in carrying out operational duties in order to ensure the protection of persons and property while enforcing the laws of the Republic;
- There are reports of drug use among BPS officers;
- The Division of Fire and Rescue is an essential and highly important agency that should be elevated;
- The Office of the Attorney General (OAG) is understaffed and funding has decreased significantly over the past four years;
- There is a shortage of staff necessary in order for the Bureau of Immigration to operate at a reasonable capacity;
- The Bureau of Human Resources (“Labor Office”) works closely with the Bureau of Immigration and it may be more efficient to merge the two Bureaus;
- There appears to be a need for different divisions under the Bureau of Immigration to divide up the specific responsibilities and allow for better focus on each;
- The Bureau of Immigration is located on the 2nd floor of the BPS building, which makes accessibility difficult particularly for the elderly and physically challenged; needs a bigger and more convenient space; and
- There is a general lack of knowledge regarding the process of the Ship Registry’s establishment, the selection of its administrator, the adoption of the Palau Maritime Regulations and the agreement signed between Palau and IMO and the rationale for placing it in the MOJ that require further review.

Recommendations

- Expand and strengthen police presence in all 16 states of the Republic;
- Improve Police response time and effective conflict resolution;
- Review and implement ongoing training programs and networking opportunities to enhance the capacity of law enforcement officials to ensure the safety and protection of our people and our guests;
- Establish community-oriented public safety programs, including foot patrols and neighborhood watches that encourage cooperation, assure safety and enhance positive community perception of police efforts;
- Improve the fire fighting and emergency response capacity of the Bureau of Public Safety;
- Reduce the use of illicit drugs by our citizens through expanded enforcement and increased penalties;
- Strengthen law enforcement capacity at our borders;
- Enhance the implementation of the National Disaster Management Plan; and
- Relocate and construct a new correctional facility and improve rehabilitative programs in Palau;
- Review and recommend the need to re-establish an Internal Affairs Committee to evaluate and make recommendations on appropriate actions relating to personnel issues in the BPS;
- Upgrade the Division of Marine Law Enforcement to a Bureau and transfer the Division of Fish and Wildlife under the new Bureau and reclassify staff positions to establish uniform benefits and job security under the Public Service System

- that reflect the occupational requirements of the Bureau;
- Review and develop strategy to strengthen and establish the Division of Fire and Rescue as a separate Bureau or viable independent agency;
- Make Trans-national Crime Unit a permanent Section under Division of Drug Enforcement;
- Make the Division of Corrections a separate Bureau and relocate out of Koror;
- Nullify the position of the BPS Deputy Director;
- Merge the Bureau of Human Resources/Labor with the Bureau of Immigration and place under one Ministry;
- Hire an additional 10 immigration officers to properly handle the workload;
- Move the Bureau of Immigration to a larger space and utilize the old fire station at the Airport as a border office and holding cell;
- Support the Sasakawa Peace Foundation through establishment of a Tri-Nation Operation Center in Palau;
- Enforce mandatory drug testing every 6 months for police officers; and
- Create a five member Palau Ship Registry Commission to re-evaluate the current setting of the Ship Registry Act.

6. Ministry of Public Infrastructure, Industry & Commerce

Summary of Findings Bureau of Public Works (BPW)

- Continuing budget constraints have led to very low productivity across a number of activities and have resulted in significant maintenance backlogs;
- The Bureau of Public Works (BPW) lack the budgetary support to perform preventive maintenance works for facilities and equipments and rely on each governmental agency to provide the funding for maintenance works required;
- There are opportunities for outsourcing, or contracting, work performed by the Facilities & Maintenance (F & M) Division, Roads and Equipment Division, Solid Waste Management, Rural Sanitation and Unexploded Ordinance and Safety to the private sector;
- The Compact Road is in disrepair and proper maintenance is not consistently performed because of reported funding shortfalls despite the existence of a Compact Road maintenance fund;
- The Koror M-Dock landfill is near capacity and will need to be closed in the next 2-years and a new landfill must be identified including the determination of having a centralized landfill to service the Babeldaob and Koror areas utilizing transfer stations or to have a landfill for each state;
- The Palau Water and Sewer Corporation (PWSC) was created to repair and make improvements to the Koror sewer system but efforts to date seem to have been focused on getting the Corporation running rather than addressing the immediate repairs required for the system; and
- The framework for the implementation of Palau's Energy Policy need to be strengthened to ensure that energy efficiency gains are sustained including the development of long-term maintenance agreements for renewable energy projects;

Bureau of Lands and Survey (BLS)

- The timeline for completion of the survey and monumentation of all lands in the Republic is continually amended to a later date, which creates uncertainty within the Bureau and makes it more difficult for the Bureau to carry out its objectives and pursue funding resources;
- The regulatory authority of the Bureau needs to be reviewed to ensure that it has the authority to effectively undertake the survey and monumentation works necessary; and
- The Bureau lacks the proper equipment and supplies, including a reliable information system to readily support its needs, particularly for survey and monumentation work to be completed in a timely manner.

Bureau of Commercial Development (BCD)

- The designation of PNCC as the official representative of Palau on all communications and Information Communications Technology (ICT) related meetings has implications for the capacity building needs and regulatory authority of the Division of Communication and needs to be further evaluated;
- The Bureau is not adequately prepared to handle alcohol licensing and related functions;
- The marine transportation infrastructure and port capabilities are inadequate to accommodate the growing Tourism Industry and the Republic's expanding economy;
- Two (2) new lighthouses are needed — one at the East Passage entrance to guide vessel on their approach at night and early dawn, and the other on the right side of the West Passage as viewed when entering the channel to guide vessels on their approach at night and to mark the reef during early dawn hours and in bad weather;
- The Malakal port area needs to be dredged in order to allow larger vessels to dock next to land; and
- Staff development and capacity building relating to policy issues and institutional arrangements need to be strengthened if the Bureau is to effectively deal with the Republics growing marine transportation, telecommunications and general commerce infrastructure framework needs.

Bureau of Aviation

- Congestion at the Palau International Airport (PIA) terminal building is increasingly becoming an issue as a result of increased aircraft passenger and cargo traffic and is raising safety and security concerns;
- Proper maintenance of the PIA including facilities and janitorial services is not consistent;
- The PIA lack the institutional capacity to effectively enforce safety and security protocols particularly for domestic air traffic;
- There is opportunity to expand domestic air travel for the outlying states

especially in the short term for Peleliu and Angaur;

- A master development plan for the Palau International Airport funded by the US Federal Aviation Administration (FAA) has been completed;
- The completed master plan focuses on the infrastructure requirements of the PIA and does not address the human resources development requirements; and
- The organizational structure of the PIA needs to be evaluated in terms of its long term financial capacity to meet operational needs and undertake the necessary infrastructure investments.

Recommendations

Bureau of Public Works (BPW)

- Review opportunities for outsourcing, or contracting, work performed by the Division of Facilities & Maintenance, Division of Roads and Equipment, Solid Waste Management, Rural Sanitation and Unexploded Ordinance and Safety to the private sector and develop a strategy for implementation as appropriate;
- Determine the status of the Compact Road maintenance trust fund and take required actions to access and utilize this funding facility to facilitate the implementation of the Operations and Maintenance Plan for the Compact Road;
- Cooperate with the Governors Association to review prior studies on potential landfill sites and develop a strategy to implement a comprehensive framework for improving the Nation's landfills, to include, where necessary, closure, improved compliance and the improved state waste management practices including the feasibility of having a centralized landfill to service the Babeldaob and Koror areas utilizing transfer stations or to have a separate landfill for each state;
- Work with the PWSC to undertake immediate improvements to the Koror Wastewater System focusing on repair works that can mitigate untreated wastewater overflows; and
- Collaborate with PPUC in line with Energy Policy Strategic Action Plan to develop long-term sustainability measures such as maintenance agreements, spare parts, and capacity building outside of the warranty period for renewable energy projects and to mobilize resources to rehabilitate existing renewable energy systems as appropriate.

Bureau of Lands and Survey (BLS)

- Review and develop a strategy with clear milestones or completion targets for remaining lands for surveying and monumentation that identifies the funding resources required including the acquisition of necessary tools and equipments to ensure the timely execution of survey works scheduled and reporting requirements.

Bureau of Commercial Development (BCD)

- Prepare policy paper articulating the advantages and disadvantages of the designation of PNCC as the official representative of Palau on all

- communications and Information Communications Technology (ICT) related meetings for policy reconsideration;
- Review and identify the regulatory authority required in order for the Bureau to adequately regulate radio communication, telecommunication and media service as well as the admiralty and maritime infrastructure framework including the necessity of imposing penalties;
 - In cooperation with the Ministry of Finance and the Ministry of Justice, review and recommend appropriate agency to implement Title 11 Chapter 10 of the Palau National Code including the statutory amendments, as necessary;
 - Review the organizational structure of the Bureau including the formulation of an effective strategy to raise its profile to facilitate access to external funding resources;
 - Review and identify financing options to secure funding to construct two (2) new lighthouses needed— one at the East Passage entrance to guide vessels on their approach at night and early dawn, and the other on the right side of the West Passage as viewed when entering the channel to guide vessels on their approach at night and to mark the reef during early dawn hours and in bad weather;
 - Develop a strategy to mobilize the resources necessary to conduct a comprehensive study of the long-term seaport needs of the Republic including cost estimates and alternative usage of existing facilities; and
 - Formulate and adopt a Human Resources Development Plan to build staff capacity to address policy issues and institutional arrangements required to effectively deal with the Republics growing marine transportation, telecommunications and general commerce infrastructure framework.

Bureau of Aviation

- Finalize and submit completed PIA master development plan for review and adoption by the President and OEK;
- Identify potential funding facilities and formulate appropriate strategies to source the financing resources to implement the recommendations of the approved master development plan of the PIA;
- Review existing safety and security protocols of the PIA and implement strengthened mechanisms to ensure compliance;
- Develop a strategy to effectively implement proper maintenance of the PIA facilities including outsourcing janitorial services as necessary;
- Identify and mobilize the resources necessary to commission a study to determine the feasibility of establishing an independent airport authority that assures the financial viability and effective operations of the PIA; and
- Develop a Human Resources Development (HRD) Plan to enhance the capacity of PIA to address policy issues and infrastructure framework requirements for both domestic and international air transportation services.

7. Ministry of Resources, Environment & Tourism

Summary of Findings Bureau of Agriculture

- In light of continuing budget constraints, program initiatives must be prioritized to ensure that available resources are used effectively;
- A review of the “Green Revolution” program initiatives including the Goat/Piggery Livestock and Coconut Planting is needed to determine the viability for their continuation and lessons learned for future programming;
- The fruit fly continues to pose a serious threat to local fruit production and an evaluation of the Fruit Fly Eradication Project is needed to ensure its successful implementation;
- The Bureau has made notable progress in its extension services through its cooperation with the ROC Agriculture Extension Mission; and
- The use of revolving funds needs to be reviewed to determine its effectiveness in supporting the extension services provided by the Bureau.

Bureau of Labor and Human Resources

- There is wide discrepancy between Labor’s data and Immigration’s data for employment dates, likely as a result of labor permits being issued by BLHR rather than the Bureau of Immigration;
- BLHR’s server is outdated and only provides raw data;
- It appears that the Bureau’s mandate is focused on the protection of the foreign workforce in the private sector while silent on the protection of the domestic or local workforce with the exception of offering job opportunities to locals first;
- Palau labor law does not define standard employment benefits like sick and annual leaves for Palauan citizens employed in the private sector;
- Title 30 of the Palau National Code provides for an Apprenticeship training program whereby employers are reimbursed for a portion of an apprentice cost by the national government but it is not being implemented due to lack of funding;
- The Bureau requires legal counsel dedicated to labor issues;
- Processing of non-resident worker permits constitutes most of the workload of the Bureau;
- Very limited time is devoted to investigative activities that ensure compliance of non-resident workers;
- Minimal amount of time is offered for counseling or assistance to citizen job seekers;
- The office space accommodating the Bureau and Divisions is too small and congested and is not conducive to a productive work environment for both staff and customers;
- The Bureau is presently using 2 locations for file storage and locating files in storage facilities at different locations is a very slow and difficult process;
- Staff capacity is limited and a human resources development plan is needed to ensure that existing labor laws are effectively enforced;
- Palau’s labor laws need to be reviewed to ensure fair compensation, provide for effective dispute resolution and safe working conditions for its workforce; and

- The Bureau does not appear to be actively pursuing potential funding resources but instead relies primarily on local appropriations to support their operations.

Bureau of Marine Resources

- The Bureau has a strong Aquaculture Program in place supported by the Government of the Republic of China (ROC) that has initially focused its efforts on the successful propagation of marbled grouper with plans to expand to other grouper and fish species;
- The Aquaculture Program supported by the ROC offers an excellent opportunity for capacity building using local counterparts but the Bureau lacks the budgetary resources to provide qualified candidates;
- The Bureau has well established technology for farming three species of clams that supports clam re-seeding efforts as well as commercial farming enterprises but its technical support seems to have dramatically reduced and a review of the entire program should be conducted to ensure the sustainability of the Clam Farming Industry;
- Data on fish and other marine animal stocks are limited and necessary if effective conservation measures are to be implemented;
- Enforcement of existing conservation laws is seriously limited particularly for monitoring the export of near-shore marine resources;
- There is opportunity for greater coordination and cooperation with other government and non-government agencies on research and enforcement related activities; and
- There are a variety of external funding opportunities available but the Bureau seems to rely primarily on local appropriations to support their operations.

Recommendations

- Complete the national policy and regulatory framework of our Environmental Management and clarify policies for each of the key sectors;
- Ensure effective implementation of the Protected Area Network (PAN) that addresses our commitments to the Micronesian Challenge;
- Ensure that sufficient funding in the PAN is dedicated to local economic development;
- Establish a plan for environmental response linked to the Disaster Management Plan;
- Review and strengthen the implementation of the National Energy Policy including a comprehensive energy conservation program for all government facilities;
- Develop national land use guidelines in line with sustainable land management practices to be implemented by the states that address land clearing, logging and reforestation issues as well as “zoning” and “building code” requirements and standards and assures the protection of our mangrove swamps and watersheds;
- Define the roles and responsibilities of the different environmental functions within the Ministry of Natural Resources, Environment and Tourism, to avoid overlap;
- Improve coordination of environmental programs and funding opportunities with other governmental and non-governmental organizations including the Palau

International Coral Reef Research Center (PICRC) and the Palau Conservation Society (PCS); and

- Mobilize funding support to assist the states in addressing environmental compliance issues including engineering, assessment and land expertise.

Bureau of Agriculture

- Review and provide a report on the “Green Revolution” program initiatives including the Goat/Piggery Livestock and Coconut Planting including recommendation of the viability for their continuation and lessons learned for future programming;
- Prepare an updated report on the status of the Fruit Fly Eradication Project and its effectiveness in addressing the threat to local fruit production;
- Develop a strategy that considers external funding resources to support efforts to recruit and fill key vacant positions for priority areas including Forestry, Animal Husbandry, Quarantine & Invasive Species Program;
- Review and implement a plan to strengthen extension services including building on the success of the Food Security Program for livestock;
- Work with the Ministry of Finance to determine the propriety of re-establishing a Revolving Fund to support extension services and is audited on a regular basis to ensure its effectiveness;
- Review and implement a framework that builds capacity to identify and access external funding resources including UN, SPC and FAO to supplement local budget allocation;
- Collaborate with other government and non-government to leverage ongoing programs such as those on climate change to enhance efforts aimed at conservation and forest health; and
- Cooperate with the Ministry of Finance to strengthen quarantine and customs regulations and through improvement of local capacity to monitor Palau’s borders in order to combat the entry into Palau of invasive species.

Bureau of Labor and Human Resources

- Review and develop a plan aimed at relocating the offices of the Bureau to the Capital while ensuring ready access for customers, particularly for labor permit requirements;
- Palau’s labor laws need to be reviewed to ensure fair compensation, provide for effective dispute resolution and safe working conditions for both its citizen and non-citizen workforce;
- Review the Apprenticeship training program prescribed in Title 30 PNC and develop a strategy to encourage expanded participation especially by the tourism industry businesses;
- Collaborate with the Bureau of Immigration and the Office of the Attorney General to secure the services of an Attorney to assist both bureaus in legal matters;

- Needed replacement staff must be hired which will then improve work performance, staff morale and reduce the overloaded work burdens of key staffs. Request to accomplish in first 100 days.
- Re-structure the Bureau with a view to transfer the approval of labor permits to the Bureau of Immigration, strengthen job placement services, dispute resolution, and occupational safety including the identification of necessary changes to existing law;
- Adopt a Human Resources Development (HRD) plan in line with the new focus of the Bureau; and
- Work with the Ministry of Finance to assess and implement a comprehensive IT plan that addresses the immediate and long term reporting requirements of the Bureau.

Bureau of Marine Resources

- Review organizational structure to realign and focus available resources including local appropriations and external funding facilities to strengthen core functions including enforcement of conservation measures, research and data collection, and extension services;
- In view of the established mandate and ongoing budget constraints, work with the Ministry of Finance and other development partners to develop a Corporate Plan that prioritizes and focuses available resources to achieve program objectives;
- Consistent with the reorganization and corporate planning development, conduct programmatic audit of all BMR activities especially the Clam Farming activities to ensure that limited resources are being utilized effectively;
- Develop a Human Resources Development (HRD) plan and full staffing required to ensure capacity building particularly for research and data collection;
- Review program mandates with a view to strengthen enforcement of conservation measures especially for monitoring the export of near-shore marine species and establish the approval of CITES declaration at the bureau level to ensure continuity and consistency of policy actions;
- Review and formulate a strategy to expand strengthened collaboration with other government and non-government in order to ensure enhanced research and data collection capacity;
- Adopt a long-term vision and strategy for ensuring continuous improvements of extension services particularly for clam farm management, along with ideal annual output, based on demand; and
- Implement a plan to expand revenue generation and cost recovery framework to help finance research and extension services and ensure that programs and service gains are sustainable.

8. Ministry of State

Summary of Findings

- There is a continued call for increases in budget resources of the various bureaus and overseas posts to support operational needs.
- The Ministry expends roughly 56 percent of its budget in salary costs.
- An extensive organizational assessment has never been undertaken to streamline the Ministry's core functions, personnel requirements with associated budgetary needs. For example, the Bureau of Foreign Affairs and the Bureau of International Trade and Technical assistance have similar responsibilities and mission-statements and could be combined.
- The restructuring flip-flop in a two year period (2009 and 2010) was an attempt that took an expansionary approach and ended up resetting the core units of the Ministry to earlier arrangements, resulting in some increase in personnel costs.
- Existing laws or regulations would prohibit further salary adjustment (i.e. reduction), but this development provides another opportunity to undertake a full organizational assessment to streamline the Ministry's operations and personnel functions and re-align the existing budget to effectively target resources to areas of higher needs.
- Staff performance assessment and skill sets investment requirements are just some of the ranking personnel issues, but at the same time a look at some of the existing good practices within the Ministry indicates some room for further operational improvements.
- The Foreign Service Officer program needs to be enhanced and upgraded to provide for specific training, equitable pay scales, and foreign post rotation.
- The Ministry has deficiencies with regard to record-keeping, including correspondence, treaty obligations, dues payments, etc.
- There is clearly a need to review the efficacy of and streamline our operations at and funding toward our various overseas missions, including our growing financial obligations to a multitude of regional and international conventions and organizations.
- There is room for operational realignment of some of our key overseas posts and review of our prior and continuing financial obligations to many international treaties, regional and international organizations and other external commitments to achieve much needed resource saving.
- There is no effort to monitor the Ministry's annual or medium term strategic plan implementation or staff performance. This has led to an inefficient return on budget outlays.
- There is a lack of synchronization between the Ministry and the Office of the President with regard to seeking grants. As a result, grants are often sought that are not needed, while grants that are needed are not sought.
- There is a lack of resources and space for the Passport Office to effectively service the passport needs of Palauan citizens.
- The Bureau of Domestic Affairs is the appropriate Bureau to house the Office of the Media, rather than the Office of the President, and some of the media responsibilities can be effectively outsourced.
- The Bureau of Domestic Affairs is the appropriate Bureau to house the Palau Law Access Unit and this Unit should be re-assessed to ensure its self-financing mandate.
- There is a lack of performance monitoring in the Bureau of Domestic Affairs.
- An assessment of the needs of the Office of the Public Defender is needed. This assessment should explore the relationship between the OPD and Micronesian Legal Services to provide for the best representation of indigent clients.

Recommendations
Bureau of Foreign Affairs and Trade

- Merge Bureaus of Foreign Affairs and International Trade and Technical Assistance into a Bureau of Foreign Affairs and Trade, BFAT (administratively followed with legislative proceedings);
- Rationalize the existing pay schedule to reflect a more equitable pay distribution with simultaneous restructuring that supports organizational efficiency;
- Review existing staff positions and associated job descriptions to support improved operational outputs of staff (home office and overseas posts coverage);
- Design and implement an internal Annual Performance Review (APR) form and schedule;
- Formulate and implement an annual or short-term strategic plan to support its budget request and guide its annual operations;
- Orient BFAT staff to MTDS and MTEF/MTBF to grasp core development initiatives to define its strategic plan and cost its implementing activities;
- Take stock of all regional and international treaties/conventions and organizations Palau maintains membership subscriptions with and conduct a comprehensive cost-benefit analysis of each; Propose a plan to retire existing arrears including all pending financial liability of any Republic embassy;
- Establish Microsoft Access-based database or equivalent to chronicle all official records and correspondence, including proper capturing of international dues/fees obligations and fellowship/trainings (explore possibility of incorporating into existing network system being built by Envision), to enhance routing of documents to other ministries, ensure timely and appropriate utilization of external programs, and enable the Republic to meet its external obligations; Design MoS intranet to support its home-based and overseas operations;
- Design a skills promotion program for Foreign Service Officers to specialize in key sector or thematic areas that respond to ranking national and international issues or development needs of Palau (e.g. maritime, trade/WTO, Law of the Sea, climate change, etc.);
- Establish a FSO rotation to support overseas missions with appropriate pay and benefits schedule;
- Review foreign nationals' employment and contracts in overseas missions and make appropriation recommendations for attrition;
- Downscale ROP-Manila embassy operations with preservation of diplomatic privilege to MoH-MRP Manila official(s);
- Review ongoing EU representation scheme to promote PIC official's placement in the post;
- Design a cost-effective plan for consular representation in the CNMI to be implemented;
- Conduct review of existing ambassadorial contracts and propose measures to provide for equitable pay and benefits schedule;
- Strengthen protocol staff operations, including management of VIP Clearance procedures and practices and Airport VIP Lounge (in consultation with appropriate International Airport authorities);
- Ensure external technical assistance and grants sought correspond to national development priority needs.

Bureau of Domestic Affairs

- Reinstatement of the Division of Media from the Presidents Office and return function and staff to BDA;
- Take stock of government broadcasting equipment and existing infrastructure and staff with recommendation of options for outsourcing the public broadcasting service;
- Review the organizational setup of the Palau Law Access Unit including requirement of self-financing mandate to ensure its effective implementation;
- Improve public records collection and dissemination through utilization of any possible features of the MoS IT network being established and/or absorb National Archives functions and resources;
- Undertake assessment of the 16 state governments' development needs to inform design of its annual strategic plan to guide its mandated responsibility of assisting the state governments;
- Review existing staff positions and functions to determine optimal level of staff requirements that support improved operations; and
- Design and implement an Annual Performance (APR) practice, with appropriate form, to monitor staff performance.

Passport Office

- Produce passport-related equipment and assets inventory and appropriate recommendations for replacement or backup stock;
- Identify a suitable office space in Koror and relocate office and staff; and
- Establish a regular inventory report of all blank passport stock and issued passports to the Minister and President every quarter.

Office of Public Defender

- Initiate a review, followed with execution, of the appropriate placement and budgetary needs of the OPD, including guidelines for clear and best possible client representations between the OPD and the Micronesian Legal Services in view of constrained resources.

Recommended Independent Agencies [Authorities, Boards and Commissions] Initiatives

Summary of Findings

- Boards lack basic understanding of roles and responsibilities;
- There is no policy level planning in terms of short, medium or long-term strategic objectives by the Board;
- Not all Board members are fit and proper in relation to member qualification and requirements;
- Not all Board members are actively participating;
- Tendency for Boards to intrude into day-to-day operational management;
- Inconsistent Board support for Executive Officers or Directors and administration of the independent agency;
- There is no framework for review and update of regulations;
- Active attempts to improve key statutory provisions lacking;
- Regulations of some boards have not undergone the Administrative Procedures Act (APA) as required;
- Some Boards not following statute or own regulations;
- Not all Boards have established internal governance regulations or even By-Laws;
- Directors do not have clear policy direction from Boards;
- No well established structure for monitoring performance of Directors;
- Operational level improvement lacking due to lack of capacity of Directors or Executive Officer's (EO);
- Directors and EO's understanding of minimum expectations not apparent in some Boards;
- Director and EO performance hampered by micro-management;
- Budgetary constraints contribute to limited work production;
- Directors and EO's are not properly implementing laws or providing appropriate guidance or feedback to Board;
- Directors or EO's failure to adhere to the law and accepting top level directives without question or confirmation;
- Budget cited as primary reason for sub-par performance;
- Directors and EO's not actively seeking alternative funding;
- No consolidation of efforts or communication of deficiencies effectively;
- Grants or legislative changes not sought to secure independent funding resources;
- No apparent efforts to actively seek other independent agency collaboration to reduce costs and consolidate efforts; and
- Some Boards have outlived their usefulness and their mandates can be assimilated into ministries

Recommendations

- Appoint Executive Liaison to independent agencies to review mandates, ongoing projects and plans including periodic reviews of performance and ensure national priorities are consistently addressed;
- Mandate periodic training that focus on corporate governance, program budgeting, performance monitoring, fiduciary responsibility and code of ethics;
- Require review and update of regulations;
- Adopt By-Laws to provide internal guidance in the short-term; and
- Establish guidelines for minimum requirements for Board membership.

	Recommendation	Time Frame (Target)
Policy Priorities and Initiatives		
1	1. Income and the Cost of Living - <i>Work with the Olbiil Era Kelulau, in consultation with the business community, to take actions to ~</i>	
1.1	Identify the funding resources that will assure the viability of the Pension Plan Fund and ensure future benefit payments continue uninterrupted;	100 Days
1.2	Ensure that government contributions to the Pension Plan, Social Security Fund and Health Care Fund are regularly made to ensure benefits and services are not compromised; and	100 Days
1.3	Implement a Cost of Living (COLA) adjustment for Public Service System employees;	12 Months
1.4	Set up an affordable subsidy program for low-income and fixed-income citizens to ensure basic utility services (electricity and water/sewerage);	12 Months
1.5	Expand retirement benefit options for both the public and private sectors to ensure a secure retirement for Palauan citizens.	12 Months
2	2. Transparency and Accountability - <i>Administration lead efforts to ~</i>	
2.1	Appoint a Special Prosecutor and strengthen the Office of the Special Prosecutor to ensure that this important and necessary office is operational on a full time basis;	100 Days
2.2	Restore the independence and integrity of the Office of the Attorney General in its review and deliberation of legal matters, including rescinding the Executive Order requiring the prior approval of the President in issuing legal opinions;	100 Days

2.3	Apply the law equally and fairly to all government employees in the expenditure and accounting of public funds and rescind the Executive Order exempting the President and the Vice President from filing travel vouchers;	100 Days
2.4	Fully comply with government performance reporting requirements to promote accountability;	100 Days
2.5	Define the role and strengthen the mandate of the Office of the Ombudsman in mediating the desired outcomes of government programs and services, including assistance to vulnerable people in economic hardship;	100 Days
2.6	Mandate the development of policies and standard operating procedures for all government-funded agencies, including performance benchmarks;	100 Days
2.7	Establish clear and unbiased protocols for disseminating information and public access to government documents, including the protection of individual rights for making available public information.	100 Days
2.8	Restore the prior continuing education program, including orientation and training, for the Public Service System employees, to ensure understanding of their rights and responsibilities as public servants; and	12 Months
3	3. Government Operations and Performance - <i>Work closely with the Olbiil Era Kelulau, and in cooperation with the Council of chiefs, Governors Association and the business community, to undertake measures to ~</i>	
3.1	Implement a Medium Term Fiscal Strategy (MTFS), within the context of a Medium Term Development Strategy (MTDS) framework, to balance our budget and ensure accountability and productivity of expenditures;	100 Days
3.2	Re-focusing our efforts to strengthen support for Palau's youth;	100 Days

3.3	Reviewing and strengthening social programs and services that will provide assistance for the People of Palau in the short-term, and lead to a high quality of life in the long-term including strengthening primary school programs, improving health services at the community level and increasing the reach and efficiency of public safety services;	12 Months
3.4	Re-instituting environmental programs for future generations; and	12 Months
3.5	Work with state government leadership to develop reliable revenue options for each State over the long term and implement practical initiatives in the short term that can provide immediate sources of revenue.	12 Months
3.6	“Right-size” our government by –	
3.6.1	Streamlining the Government Structure,	100 Days
3.6.2	Restructuring Personnel,	48 Months
3.6.3	Outsourcing Government Services, and	48 Months
3.6.4	Improving productivity and efficiency from technology gains;	48 Months
4	4. Employment (Jobs) and the Economy - <i>Collaborate with the Olbiil Era Kelulau, in consultation with the Council of Chiefs, Governors Association, Palau Chamber of Commerce and other governmental agencies including the Palau Visitors Authority and the National Development Bank of Palau, to mobilize efforts to ~</i>	
4.1	Actively recruit and support quality tourism projects and partnerships;	100 Days
4.2	Mobilize the funding resources required in order to help accelerate the resolution of Land Ownership.	12 Months
4.3	Establish ongoing financing and technical assistance support programs for local businesses to meet Palau tourism industry standards in cooperation with the National Development Bank of Palau (NDBP), PVA and the BTA;	24 Months

4.4	Provide incentives that make Palauan labor (particularly for the tourism industry) more competitive and identify and generate funding for on-the-job training and education; and	24 Months
4.5	Support the efforts of the Palau Visitors Authority (PVA) and the Belau Tourism Association (BTA) to develop minimum standards for the provision of tourism products and services and the diversification of tourism products;	36 Months
4.6	Facilitate funding and technical assistance support to other economic sectors for targeted development (Pillars of Growth') in cooperation with the NDBP and other appropriate government and non-government organizations in line with sustainable land management practices including:	
4.6.1	Agriculture/Aquaculture,	
4.6.2	Financial,	
4.6.3	Fisheries,	
4.6.4	Cottage Industries, and	
4.6.5	Trade;	
4.7	Expand Aquaculture industry support and establish program to restock depleted marine live-stocks;	
4.8	Improve the regulatory environment to encourage and support private sector-led growth that also provides appropriate incentives for small businesses including:	
4.8.1	Tax Structure Reform,	36 Months
4.8.2	Transparent Foreign Investment Regulations,	
4.8.3	A Well-Defined Legal System for Commercial Activities,	
4.8.4	A Sound Banking and Financial Market Framework, and	

4.8.5	Fair Labor and Occupational Safety Measures;	
4.9	Construct a standard two fiber pair Submarine Telecommunications Cable System (Fiber Optic) to replace Palau's outdated and costly international satellite telecommunications infrastructure including pursuing membership in the National Carriers Exchange Association (NECA) to reduce our communications cost;	36 Months
4.1	Establish license requirements of vocational trades to encourage local participation in certain trade skills that are needed in order to build our Island Nation;	36 Months
4.11	Work with regional partners to identify regional and national economic development opportunities, to include opportunities associated with the Guam Military Build-up;	48 Months
4.11	Develop Babeldaob and outlying state visitor attraction sites to facilitate diversified tourism products and income generating activities at the state level;	48 Months
5	Recommended Government-Wide Initiatives	
5.1	Put immediate measures into place to limit expenditures until a comprehensive restructuring Plan is formulated including the issuance of Presidential Directives instituting freezes on new hires for certain positions and travel on locally funded accounts and the adoption of energy conservation measures; and	100 Days
5.2	Review and strengthen policies and procedures to standardize dress codes and visitor interaction standards aimed at ensuring continuous improvements to image at Ports of Entry;	100 Days
5.3	Updating and adopting anew the Cost Reduction Plan prepared and implemented in 2002 pursuant to RPPL No. 6 21.	100 Days
5.4	Establish an ongoing Orientation Program aimed at familiarizing current and new officials with government procedures including procurement, budgeting, finance and personnel.	12 Months

5.5	Institute a Management Training Program to develop and improve management skills in the areas of record management, the use of technology in the workplace, strategic planning, administrative procedures and employee management.		12 Months
5.6	Implement Performance Agreements with appropriate management officials that clearly identify the management goals and objectives of the operational entity and clearly relate the government's expectations of its managers as related to those goals and objectives. Such agreements should insure accountability and provide clear policy direction.		12 Months
5.7	Incorporate the Master Plan into the Planning Process;		12 Months
5.8	Create a Task Force with each state as a member, and with the technical assistance of the National Government, to identify real revenue options for the states and to then solidify those options in law;		12 Months
5.9	Establish a Task Force to develop a strategy to establish a "One-Stop Shopping" that enables document pick-up and processing utilizing a combination of locations with eventual consolidation at the Capital;		12 Months
Recommended Ministry Initiatives			
M1	1. The Ministry of Community & Cultural Affairs (MCCA)		
M1.1	Conduct a comprehensive review of the functions of the ministry to ensure that ongoing programs and services complement and do not duplicate other programs or services administered by other governmental agencies;	Management	100 Days
M1.2	Based on the comprehensive review of the functions of the ministry, undertake a review of the organizational structure of the ministry to ensure clear functional direction and reduced long- term operations costs;	Executive Order	100 Days
M1.3	In line with recommended organizational structure, evaluate staff and staffing requirements including space requirements to ensure that programs and services are administered effectively;	Management	100 days

M1.4	Review and determine the desirability of celebrating Independence Day, Olchotel Belau and UN Day separately in order to recognize the importance of these important holidays and to promote social and economic activities for residents and visitors;	Management	100 Days
M1.5	Review the financial standing of the Disability Fund and present recommendations for program improvements as necessary;	Management	100 days
M1.6	Review and improve the implementation of the National Youth Policy aimed at providing resources, support and services to our youth to enable them to fulfill their potentials and contribute to our cultural and economic growth;	Executive Order	100 days
M1.7	Implement the senior citizens discount program through formulation and promulgation of implementing regulations;	Regulation	12 months
M1.8	Review and identify the benefits and implications for Palau in ratifying the CEDAW convention and the disability convention CRPD;	Legislation	12 months
M1.9	Develop and recommend appropriate national policies for adoption relating to aging, gender, youth and culture to help guide and focus available resources;	Directive	12 Months
M1.10	Work with local community artists and groups to strengthen laws aimed at protecting local artists and promoting the local arts industry;	Legislation	24 Months
M1.11	In line with national youth policy, determine the feasibility of establishing a Youth Corps program that offers a structured and stable environment and is conducive to learning fundamental life skills and provides educational and training opportunities to disadvantaged youth including the establishment of a ROTC or similar program in secondary education;	Management	24 months

M1.12	Collaborate with the Palau Housing Authority and the National Development Bank of Palau to mobilize funding to expand affordable housing to families in need particularly for Babeldaob;	Management	24 months
M1.13	Consistent with national youth policy, create diverse incentive programs for our youth in sports and academics emphasizing achievement and awards in cooperation with the Palau National Olympic Committee, the Ministry of Education and the Palau Community College.	Management	24 months
M1.14	Work with the Ministry of Finance to secure the funding resources to enable the Archives Office to relocate and secure records and documents for archiving including the recruitment of additional staff required to ensure the proper appraisal and disposal of documents and records;	Management	36 months
M1.15	Review and recommend a permanent organizational setup of the Archives Office that assures its sustainable operations;	Legislation	36 Months
M1.17[sic]	In cooperation with the Palau Visitors Authority and the Ministry of Natural Resources, Environment and Tourism to develop family-oriented recreational and natural parks for our people and visitors to enjoy;	Management	36 months
M1.18	Work with traditional and state leaders, on an on-going basis, to insure the incorporation of traditional values into programs and services provided;	Management	48 months
M1.19	In cooperation with the Palau National Olympic Committee, determine the feasibility of designing and constructing a modern Sports Training Facility to support health and healthy lifestyles as well tourism product diversification policies; and	Management	48 Months
M2	2. Ministry of Education (MOE)		

M2.1	Review the mandate of the Board of Education and whether it is necessary to the administration of the Ministry of Education and recommend appropriate actions to take;	Management	12 months
M2.2	Review the MOE School Handbook that has been developed and that became effective on August 2010 for its ongoing relevance;	Management	24 months
M2.3	Revisit and update the MOE policy manual that is 70% completed, following or simultaneous to the amending of 22 PNC;	Regulation	12 months
M2.4	Review and sequence annual implementation plans of the Education Master Plan (EMP) to determine a workable medium-term budget requirement under current level of funding and real budgetary gaps, coupled with improved monitoring and evaluation;	Management	12 months
M2.5	Consistent with the EMP, review and strengthen the implementation of maintenance plans including facilities and school buses;	Management	12 months
M2.6	Review central data management system for gaps and remaining needs to strengthen full utilization of the system;	Management	12 months
M2.7	Present a working paper on options for financing the school lunch program and promoting local food component;	Management	12 months
M2.8	Develop an exit strategy in preparation for reduction or phase-out of federal programs such as Adult Education Program and others;	Management	12 months
M2.9	Produce a report on all regional education initiatives MOE is engaged in to include benefits, obligations and other international or regional commitments of Palau to define a forward course of participation;	Management	12 months

M2.10	Take stock of all public school books, instructional supplies and equipment with recommendations for re-stocking or replacement as necessary;	Management	12 months
M2.11	Propose a strategy for addressing the lingering land disputes involving some public schools current placement, in consultation with the Office of the Attorney General and the Palau Public Land Authority;	Management	12 months
M2.12	Conduct an analysis of the Melekeok, Ngiwal and Ngchesar elementary school consolidation for both educational benefits to the students and cost-benefit analysis in order to inform future direction on remaining schools' consolidation;	Management	12 months
M2.13	Expedite the financing of development and utilization of Palauan Studies textbooks across targeted school grades;	Management	12 months
M2.14	Recommend to the Minister and President an alternative approach to ensuring a timely bidding process and delivery of textbooks and instructional materials;	Management	12 months
M2.15	Collaborate with PCC to utilize existing resources and services to strengthen the vocational and trade program at PCC and at the Palau High School (i.e. absorption of GED/AEP graduates);	Management	12 months
M2.16	In line with the EMP, prioritize available resources toward Primary School Programs in Palau to provide a solid foundation for learning;	Management	12 months
M2.17	Ensure an instructional environment that is conducive to student learning, including an appropriate curriculum and the provision of sufficient textbooks, computers and supplies;	Management	12 months
M2.18	Review and strengthen Primary and Secondary curricula;	Management	12 months

M2.19	Support Afterschool Programs that provide tutorial and enhanced learning skills to help reduce dropout rates and to help students reach their full potential; and	Management	12 months
M2.20	In cooperation with the Council of Chiefs and the Governors Association, identify possible locations for a new Public High School in Babeldaob.	Management	12 months
M2.21	Determine feasibility of establishing Alternative Learning Centers for disadvantaged and high risk youth so that they can reach their full potential;	Management	12 months
M2.22	Review and identify updates required of the governing statute of MOE, 22 PNC and other governing laws of education;	Legislation	24 months
M2.23	Assess the research requirements of the Ministry and present a working paper toward establishment of a core research unit for the MOE in the Division of Research and Evaluation with resource requirements;	Management	12 months
M2.24	In cooperation with the Bureau of Public Service System, strengthen personnel and certification systems for educators and focus on proper levels of compensation to help ensure continuous improvement in the quality of education;	Management	12 months
M3	3. The Ministry of Finance (MOF)		
M3B1	<i>Bureau of Public Service System</i>		
M3B1.1	Review and determine the need to impose civil and criminal penalties for violations of the Public Service System Act and its Rules and Regulations;	Management	12 months
M3B1.2	Establish regular training on Public Service System Rules and Regulations to ensure management compliance and that employees are aware of their rights and privileges as well as consequences for non-compliance and non-performance;	Management	12 months
M3B1.3	Develop continuous training programs for BPSS personnel on HRD and evaluation;	Management	12 months

M3B1.4	Review and advise the viability of including an automatic COLA and fuel allowance in the Public Service System compensation and benefit packages;	Legislation	12 months
M3B1.5	The Personnel Listing should be updated on a regular basis to include the most up-to-date information;	Management	12 months
M3B1.6	An assessment of the current pay scale/schedule should be completed. In addition, creation of a standardized schedule that outlines the appropriate levels of certain jobs (specifically the management positions such as Chief, and Director);	Management	24 months
M3B1.7	A thorough review of the personnel listing and position descriptions (both civil and service contracts) should be completed to ensure that work is not being duplicated. If certain positions and/or offices are found to be duplicating efforts, further assessment should be taken to find a more efficient and cost effective solution; and,	Management	24 months
M3B1.8	A technical assessment should be completed to review all the needs and requirements including hardware, software, and networking needs. It is also recommended that the Division look into acquiring a Human Resources Information System (HRIS).	Management	24 months
M3B2	<i>Bureau of National Treasury</i>		
M3B2.1	Review internal control procedures to ensure payments issued are in compliance and determine the need to impose civil and criminal penalties as necessary to ensure strict adherence;	Management	12 months
M3B2.2	Review and update Cash Management Policy to ensure that payments are timely made;	Management	12 months
M3B2.3	Review and determine the need to amend the Procurement Act to increase the minimum purchase amount required for bid and the bid notice period;	Management	12-months
M3B2.4	Review and determine the necessity of re-establishing the Compact Trust Fund Advisory Board to review the performance of the CTF and ensure compliance with draw down procedures; and	Legislation	12 months

M3B2.5	Re-establish coordinated procedures for following up and ensuring corrective actions are undertaken of audit findings.	Management	12 months
M3B3	<i>Bureau of Budget & Planning</i>		
M3B3.1	Re-establish the Revenue Forecasting Committee to help produce reliable revenue estimates and support the formulation of the annual national budget;	Management	12 months
M3B3.2	Work through the Minister of Finance with the Office of the President to introduce legislation to restore the annual budget preparation and submission deadlines pursuant to RPPL No. 6-11;	Legislation	12 months
M3B3.3	Work through the Minister of Finance with the Office of the President to eliminate the Office of Budget and Grant Oversight (OBGO) pursuant to Executive Order No. 277 that duplicates and interferes with the authority and responsibilities of the Bureau of National Treasury and the Bureau of Budget and Planning;	Executive Order	12 months
M3B3.4	Re-establish on-going program of support to agencies to build capacity to comply with the performance reporting requirements of RPPL No. 6-11;	Management	12 months
M3B3.5	Re-establish the regular reporting of economic and socio-demographic statistics including the Statistical Yearbook and quarterly economic indicators;	Management	12 months
M3B3.6	Work through the Minister of Finance with the Office of the President to adopt and implement the MTDS and MTFS;	Management	12 months
M3B3.7	Work with ISSS to update and implement the MIS budget module; and	Management	24 months
M3B3.8	Seek capacity-building funding to achieve full staffing and ensure work outputs continue uninterrupted especially for key mandates including performance reporting and planning and statistical analysis.	Management	24 months
M3B4	<i>Bureau of Revenue, Customs & Taxation</i>		

M3B4D1	<i>Division of Customs</i>		
M3B4D1.1	Review the current structure and workflows of the Division with a view to utilize existing resources by identifying core business processes and align them with key functions and matching the functions with existing personnel skills accordingly to try and meet the level of demand for service;	Management	12 months
M3B4D1.2	Review and consider proposed legislation for Customs and consider elevating the Division to a bureau level;	Management	12 months
M3B4D1.3	Establish standardized procedures and protocols for handling specific situations that requires collaborative efforts across agencies and governmental boundaries;	Management	12 months
M3B4D1.4	Conduct needs assessment of the K-9 Program and develop strategy to ensure effective implementation;	Management	12 months
M3B4D1.5	Work with ISSS to upgrade and fully integrate the Customs Information System that ensures efficient tax and data processing and reporting including procuring and installing required backup server and replace obsolete hardware and software;	Management	12 months
M3B4D1.6	Put in place more effective control, management and procedures for vessel clearance process at seaports; and	Management	12 months
M3B4D1.7	Work with the Office of the Attorney General to prioritize and provide legal advice as needed.	Management	12 months
M3B4D2	<i>Division of Revenue & Taxation</i>		
M3B4D2.1	Develop a strategy to undertake immediate facilities repair works and for the design and construction of permanent office facilities that ensure a safe and productive work environment;	Management	12 months
M3B4D2.2	Create a friendly customer service that also provides efficient and effective work processes with procedures that are easy to implement; and	Management	12 months

M3B4D2.3	Improve efficiency and effectiveness of the tax information system by determining the feasibility of upgrading or replacing existing system;	Management	24 months
M3B4D2.4	Provide opportunities for training and development of staff capacity to carryout effective enforcement of tax codes.	Management	36 months
M3B5	<i>Information Systems Support Services</i>		
M3B5.1	Immediate replacement of the Capitol computer network necessary hardware including switches, file servers, switch racks and backup batteries.	Management	12 months
M3B5.2	Re-instituting Network Policies & Procedures that ensure proper operations and maintenance of the Capitol complex computer system including documenting network changes and re-establishing IT rules for whole capitol complex;	Management	12 months
M3B5.3	Undertake immediate maintenance and reprogramming of the Capitol complex 2 telephone systems including replacement of backup battery and documentation of phone lines;	Management	12 months
M3B5.4	Activate the Capitol complex CCTV Security System including bringing the security system servers and cameras online and including the replacement of the door access panels;	Management	12 months
M3B5.5	Start utilizing the Time and Attendance System again by bringing the server online and using the RF Identification Cards;	Management	12 months
M3B5.6	Bring the DNS servers back online to ensure effective internet utilization;	Management	12 months
M3B5.7	Immediately implement eMail system maintenance including the installation of anti-spam managing software and anti-virus for the entire network;	Management	12 months

M3B5.8	Take down the Website and update as required and assign a web administrator to be in charge of regular updates;	Management	12 months
M3B5.9	Re-establish Digital Archiving including server replacement and renewal of software license as necessary to address storage space issue and audit documentation requirements;	Management	24 months
M3B5.10	Review whether a service fee can be charged for all Ministries/Offices that utilize the ISSS services; and,	Management	24 months
M3B5.11	Establish staff training on Email system, PBX system, Network infrastructure, Archiving system and Security system.	Management	24 months
M4	4. Ministry of Health (MOH)		
M4.1	Ensure on-island dialysis treatment;	Management	100 days
M4.2	Identify expanded and enhanced regional partnerships to improve the provision of comprehensive and affordable medical services to the People of Palau;	Management	12 months
M4.3	Ensure sufficient and consistent levels, at all times, of medical supplies medical tools and medical equipment;	Management	12 months
M4.4	Strengthen support for professional recruitment, training and compensation package in order to increase the pool of qualified medical professionals including nurses and doctors;	Management	12 months
M4.5	Identify and access additional U.S. federal and international health care funding opportunities, focusing on the development of community health care;	Management	24 months
M4.6	Expand community involvement in health care oversight and provision;	Management	24 months

M4.7	Identify expanded U.S. Federal and international opportunities for enhanced recruitment and subsidization of medical professionals;	Management	24 months
M4.8	Expand affordable off-island medical care options for our medical evacuation program for the treatment of conditions that cannot be managed in Palau; and	Management	24 months
M4.9	Enhance program support for capacity building of Palau's medical professionals toward improved diagnostic and treatment services on-island;	Management	36 months
M4.10	Focus available resources on community based preventive health care to promote better health, reduced health care costs and higher quality of life;	Management	48 months
M4.11	Identify funding for the relocation and construction of a new National Hospital.	Management	48 months
<i>These recommendations were developed by the subcommittee with input from Ministry of Health staff, across the board</i>			
Personnel			
	◦ Hire Orthopedic Surgeon	Management	100 days
	◦ Hire 2 ER doctors	Management	100 days
	◦ Compensate current pharmacist appropriately	Management	100 days
	◦ Hire 1 additional x-ray staff (including ultrasound tech)	Management	100 days
	◦ Fill 2 vacancies for lab	Management	100 days

◦ Hire 1 additional pharmacist	Management	100 days
◦ Promote and adjust salary of kitchen staff	Management	100 days
◦ Hire 4 staff for maintenance	Management	100 days
◦ Arrange for mammogram reader	Management	100 days
◦ Hire 3 additional staff for medical referral (UR*, Manila and BNH)	Management	100 days
◦ Hire 2 additional staff for billing and collection (1 clerk and 1 accounting/billing staff)	Management	100 days
◦ Make appropriate personnel adjustments	Management	100 days
◦ Fill 2 vacancies for laundry	Management	100 days
◦ Hire 1 internal medicine doctor	Management	12 months
◦ Hire 1 Pediatrician	Management	12 months
◦ Hire 1 doctor for Peleliu CHC	Management	12 months
◦ Hire 9 nurses	Management	12 months
◦ Initiate job reclassification and salary upgrade for nurses	Management	12 months
◦ Hire additional 1 lab tech	Management	12 months
◦ Hire 2 additional x-ray tech	Management	12 months
◦ Hire 3 staff for medical supply	Management	12 months

	◦ Review and optimize HIS staff (PHIS and HIS)	Management	12 months
	◦ Hire additional 17 nurses	Management	24 months
Organization			
	◦ Rescind EO 269 and replace with appropriate structure	Executive Order	100 days
	◦ Implement Bureau of Hospital and Clinical Services plan	Management	100 days
	◦ Implement Quality Assurance Program	Management	100 days
	◦ Implement Bureau of Nursing, include in new EO reorganization	Management	100 days
	◦ Review and finalize appointment as appropriate (Staff who are currently Acting)	Management	100 days
	◦ Reassess organizational/ management support of supplies and procurement	Management	100 days
	◦ Complete policies and procedures manuals for all units	Management	12 months
Policy			
	◦ Review fee schedule including sliding fee scale with respect to insured persons	Legislation	100 days
	◦ Review Health Care Financing Act to improve flow of funds from HCF to MOH	Legislation	12 months
Equipment			

◦ Purchase tools (testing and analyzing, calibration of equipment see attached list from Biomed office) and supplies for Biomed Unit	Management	12 months
◦ Repair 2 walk in freezers, replace ice machine in Kitchen	Management	12 months
Building and Facilities		
◦ Solve rat issues in Kitchen	Management	100 days
◦ Provide adequate storage space for Biomed Unit	Management	12 months
◦ Review relocation of Palau House in Manila (lease vs. buy)	Management	12 months
◦ Additional storage space for Pharmacy	Management	12 months
Continuing Education and Training		
◦ Review and implement Human Resources plan and ensure training needs of all units are addressed	Management	12 months
Special Services		
◦ Secure funding to bring in specialists	Management	100 Days
◦ Secure funds for hyperbaric services and oxygen supply	Management	100 Days
◦ Reduce Medical Referral cases by building local capacity	Management	12 Months
◦ Ensure availability of Renal Nurse	Management	12 Months

	◦ Establish eye clinic	Management	24 Months
	Support Services		
	◦ Management into budget preparation	Management	100 Days
	◦ Hire/ Contract IT consultant to help develop a plan for HIS	Management	100 Days
	◦ Address pay level and salaries of nurses, ancillary services and other support staff	Management	100 Days
	◦ Improve the billing and collection process to increase cash flow	Management	100 Days
	◦ Consider possibility of combining PHIS with hospital based HIS	Management	12 Months
	Work Environment		
	◦ Facilitate social activities (i.e. Picnics, TGIF, fishing derby)	Management	100 Days
	◦ Facilitate Attaboys/ Attagirls programs (appreciation activities)	Management	100 Days
	◦ Establish a cafeteria for MOH staff on the BNH grounds	Management	12 Months
M5	5. Ministry of Justice (MOJ)		
M5.1	Merge the Bureau of Human Resources/Labor with the Bureau of Immigration and place under one Ministry;	Executive Order	100 Days
M5.2	Nullify the position of the BPS Deputy Director;	Management	100 Days
M5.3	Make Trans-national Crime Unit a permanent Section under Division of Drug Enforcement;	Management	100 Days

M5.4	Upgrade the Division of Marine Law Enforcement to a Bureau and transfer the Division of Fish and Wildlife under the new Bureau and reclassify staff positions to establish uniform benefits and job security under the Public Service System that reflect the occupational requirements of the Bureau;	Executive Order	12 Months
M5.5	Review and recommend the need to re-establish an Internal Affairs Committee to evaluate and make recommendations on appropriate actions relating to personnel issues in the BPS;	Management	12 Months
M5.6	Enforce mandatory drug testing every 6 months for police officers ; and	Management	12 Months
M5.7	Move the Bureau of Immigration to a larger space and utilize the old fire station at the Airport as a border office and holding cell;	Management	12 Months
M5.8	Create a five member Palau Ship Registry Commission to re-evaluate the current setting of the Ship Registry Act.	Management	12 Months
M5.9	Enhance the implementation of the National Disaster Management Plan; and	Management	24 Months
M5.10	Improve Police response time and effective conflict resolution;	Management	24 Months
M5.11	Establish community-oriented public safety programs, including foot patrols and neighborhood watches that encourage cooperation, assure safety and enhance positive community perception of police efforts;	Management	24 Months
M5.12	Support the Sasakawa Peace Foundation through establishment of a Tri-Nation Operation Center in Palau;	Management	24 Months
M5.13	Strengthen law enforcement capacity at our borders;	Management	24 Months

M5.14	Review and implement ongoing training programs and networking opportunities to enhance the capacity of law enforcement officials to ensure the safety and protection of our people and our guests;	Management	36 Months
M5.15	Improve the fire fighting and emergency response capacity of the Bureau of Public Safety;	Management	36 Months
M5.16	Hire an additional 10 immigration officers to properly handle the workload;	Management	36 Months
M5.17	Expand and strengthen police presence in all 16 states of the Republic;	Management	48 Months
M5.18	Reduce the use of illicit drugs by our citizens through expanded enforcement and increased penalties;	Management	48 Months
M5.19	Relocate and construct a new correctional facility and improve rehabilitative programs in Palau.	Management	48 Months
M5.20	Review and develop strategy to strengthen and establish the Division of Fire and Rescue as a separate Bureau or viable independent agency;	Management	48 Months
M5.21	Make the Division of Corrections a separate Bureau and relocate out of Koror;	Management	48 Months
M6	6. Ministry of Public Infrastructure, Industry & Commerce (MPIIC)		
M6B1.1	<i>Bureau of Public Works (BPW)</i>		
M6B1.1	Determine the status of the Compact Road maintenance trust fund and take required actions to access and utilize this funding facility to facilitate the implementation of the Operations and Maintenance Plan for the Compact Road;	Management	12 Months

M6B1.2	Cooperate with the Governors Association to review prior studies on potential landfill sites and develop a strategy to implement a comprehensive framework for improving the Nation's landfills, to include, where necessary, closure, improved compliance and the improved state waste management practices including the feasibility having a centralized landfill to service the Babeldaob and Koror areas utilizing transfer stations or to have a separate landfill for each state;	Management	12 Months
M6B1.3	Work with the PWSC to undertake immediate improvements to the Koror Wastewater System focusing on repair works that can mitigate untreated wastewater overflows; and	Management	12 Months
M6B1.4	Review opportunities for outsourcing, or contracting, work performed by the Division of Facilities & Maintenance, Division of Roads and Equipment, Solid Waste Management, Rural Sanitation and Unexploded Ordinance and Safety to the private sector and develop a strategy for implementation as appropriate;	Management	24 Months
M6B1.5	Collaborate with PPUC in line with Energy Policy Strategic Action Plan to develop long-term sustainability measures such as maintenance agreements, spare parts, and capacity building outside of the warranty period for renewable energy projects and to mobilize resources to rehabilitate existing renewable energy systems as appropriate.	Management	24 Months
M6B2	<i>Bureau of Lands and Survey (BLS)</i>		
M6B2.1	Review and develop a strategy with clear milestones or completion targets for remaining lands for surveying and monumentation that identifies the funding resources required including the acquisition of necessary tools and equipment to ensure the timely execution of survey works scheduled and reporting requirements.	Management	12 Months

M6B3	<i>Bureau of Commercial Development (BCD)</i>		
M6B3.1	Prepare policy paper articulating the advantages and disadvantages of the designation of PNCC as the official representative of Palau on all communications and Information Communications Technology (ICT) related meetings for policy reconsideration;	Management	12 Months
M6B3.2	Review and identify the regulatory authority required in order for the Bureau to adequately regulate radio communication, telecommunication and media service as well as the admiralty and maritime infrastructure framework including the necessity of imposing penalties;	Management	12 Months
M6B3.3	In cooperation with the Ministry of Finance and the Ministry of Justice, review and recommend appropriate agency to implement Title 11 Chapter 10 of the Palau National Code including the statutory amendments, as necessary;	Legislation	12 Months
M6B3.4	Review the organizational structure of the Bureau including the formulation of an effective strategy to raise its profile to facilitate access to external funding resources;	Management	12 Months
M6B3.5	Formulate and adopt a Human Resources Development Plan to build staff capacity to address policy issues and institutional arrangements required to effectively deal with the Republic's growing marine transportation, telecommunications and general commerce infrastructure framework.	Management	24 Months
M6B3.6	Review and identify financing options to secure funding to construct two (2) new lighthouses needed— one at the East Passage entrance to guide vessels on their approach at night and early dawn, and the other on the right side of the West Passage as viewed when entering the channel to guide vessels on their approach at night and to mark the reef during early dawn hours and in bad weather;	Management	24 Months

3.7	Develop a strategy to mobilize the resources necessary to conduct a comprehensive study of the long-term seaport needs of the Republic including cost estimates and alternative usage of existing facilities; and	Management	36 Months
M6B3[sic]	<i>Bureau of Aviation</i>		
M6B3.1	Finalize and submit completed PIA master development plan for review and adoption by the President and OEK;	Management	12 Months
M6B3.2	Review existing safety and security protocols of the PIA and implement strengthened mechanisms to ensure compliance;	Management	12 Months
M6B3.3	Develop a strategy to effectively implement proper maintenance of the PIA facilities including outsourcing janitorial services as necessary;	Management	12 Months
M6B3.4	Identify potential funding facilities and formulate appropriate strategy to source the financing resources in order to implement the recommendations of the approved master development plan of the PIA;	Management	24 Months
M6B3.5	Develop a Human Resources Development (HRD) Plan to enhance the capacity of PIA to address policy issues and infrastructure framework requirements for air transportation services for both domestic and international;	Management	24 Months
M6B3.6	Identify and mobilize the resources necessary to commission a study to determine the feasibility of establishing an independent airport authority that assure the financial viability and effective operations of the PIA; and	Management	36 Months
M7	7. Ministry of Resources, Environment & Tourism		

M7.1	Ensure effective implementation of the Protected Area Network (PAN) that addresses our commitments to the Micronesian Challenge;	Management	12 Months
M7.2	Ensure that sufficient funding in the PAN is dedicated to local economic development;	Management	12 Months
M7.3	Review and strengthen the implementation of the National Energy Policy including a comprehensive energy conservation program for all government facilities;	Management	12 Months
M7.4	Improve coordination of environmental programs and funding opportunities with other governmental and non-governmental organizations including the Palau International Coral Reef Research Center (PICRC) and the Palau Conservation Society (PCS); and	Management	12 Months
M7.5	Mobilize funding support to assist the states address environmental compliance issues including engineering, assessment and land expertise;	Management	12 Months
M7.6	Complete the national policy and regulatory framework of our Environmental Management and clarify policies for each of the key sectors;	Management	24 Months
M7.7	Define the roles and responsibilities of the different environmental functions within the Ministry of Natural Resources, Environment and Tourism, to avoid overlap;	Management	24 Months
M7.8	Establish a plan for environmental response linked to the Disaster Management Plan;	Management	24 Months

M7.9	Develop national land use guidelines in line with sustainable land management practices to be implemented by the states that address land clearing, logging and reforestation issues as well as ‘zoning’ and ‘building code’ requirements and standards and assures the protection of our mangrove swamps and watersheds;	Management	36 Months
M7B1	<i>Bureau of Agriculture</i>		
M7B1	Review and provide a report on the ‘Green Revolution’ program initiatives including the Goat/Piggery Livestock and Coconut Planting including recommendation	Management	12 Months
M7B1.1	Prepare an updated report on the status of the Fruit Fly Eradication Project and its effectiveness in addressing the threat to local fruit production;	Management	12 Months
M7B1.2	Develop a strategy that considers external funding resources to support efforts to recruit and fill key vacant positions for priority areas including Forestry, Animal Husbandry, Quarantine & Invasive Species Program;	Management	12 Months
M7B1.3	Review and implement a plan to strengthen extension services including building on the success of the Food Security Program for livestock;	Management	12 Months
M7B1.4	Work with the Ministry of Finance to determine the propriety of re-establishing a Revolving Fund to support extension services and is audited on a regular basis to ensure its effectiveness;	Management	12 Months
M7B1.5	Review and implement a framework that builds capacity to identify and access external funding resources including UN, SPC and FAO to supplement local budget allocation;	Management	24 Months

M7B1.6	Collaborate with other government and non-government to leverage ongoing programs such as those on climate change to enhance efforts aimed at conservation	Management	24 Months
M7B1.7	Cooperate with the Ministry of Finance to strengthen quarantine and customs regulations and through improvement of local capacity to monitor Palau's borders in order to combat the entry into Palau of invasive species.	Management	24 Months
M7B1.8[sic]	<i>Bureau of Labor and Human Resources</i>		
M7B2	Review and develop a plan aimed at relocating the offices of the Bureau to Capital while ensuring ready access for customers particularly for labor-related permitting requirements;	Management	12 Months
M7B2.1	Palau's labor laws need to be reviewed to ensure fair compensation, provide for effective dispute resolution and safe working conditions for its workforce both citizens and non-citizens;	Legislation	24 Months
M7B2.2	Review the Apprenticeship training program prescribed in Title 30 PNC and develop a strategy to encourage expanded participation especially by the tourism industry businesses;	Management	12 Months
M7B2.3	Collaborate with the Bureau of Immigration and the Office of the Attorney General to secure the services of an Attorney to assist both bureaus in legal matters;	Management	12 Months

M7B2.4	Needed replacement staffs must be hired which will then improve work performances, staff morale and reduce the overloaded work burden of key staff;	Management	12 Months
M7B2.5	Re-structure the Bureau with a view to transfer the approval of labor permits to the Bureau of Immigration, strengthening job placement services, dispute resolution and occupational safety including the identification of necessary changes to existing law.	Executive Order	12 Months
M7B2.6	Adopt a Human Resources Development (HRD) plan in line with the new focus of the Bureau; and	Management	24 Months
M7B2.7	Work with the Ministry of Finance to assess and implement a comprehensive IT plan that addresses the immediate and long term reporting requirements of the Bureau.	Management	24 Months
M7B3	<i>Bureau of Marine Resources</i>		
M7B3.1	Review organizational structure to realign and focus available resources including local appropriations and external funding facilities to strengthen core functions including enforcement of conservation measures, research and data collection, and extension services;	Executive Order	12 Months
M7B3.2	Consistent with the reorganization and corporate planning development, conduct programmatic audit of all BMR activities especially the Clam Farming activities to ensure that limited resources are being utilized effectively;	Management	12 Months

M7B3.3	Review program mandates with a view to strengthen enforcement of conservation measures especially for monitoring the export of near-shore marine species and establish the approval of CITES declaration at the bureau level to ensure continuity and consistency of policy actions;	Management	12 Months
M7B3.4	Review and formulate a strategy to expand strengthened collaboration with other government and non-government agencies in order to ensure enhanced research and data collection capacity;	Management	12 Months
M7B3.5	Develop a Human Resources Development (HRD) plan and full staffing required to ensure capacity building particularly for research and data collection;	Management	24 Months
M7B3.6	In view of established mandate and ongoing budget constraints, work with the Ministry of Finance and other development partners to develop a Corporate Plan that prioritizes and focuses available resources to achieve program objectives;	Management	24 Months
M7B3.7	Adopt a long-term vision and strategy for ensuring continuous improvements of extension services particularly for clam farm management, along with ideal annual output, based on demand; and	Management	24 Months
M7B3.8	Implement a plan to expand revenue generation and cost recovery framework to[?]	Management	24 Months
M8	8. Ministry of State		
M8B1	<i>Bureau of Foreign Affairs and Trade</i>		
M8B1.1	Merge Bureaus of Foreign Affairs and International Trade and Technical Assistance into a Bureau of Foreign Affairs and Trade, BFAT (administratively followed with legislative proceedings);	Executive Order	100 Days
M8B1.2	Rationalize the existing pay schedule to reflect a more equitable pay distribution with simultaneous restructuring that supports organizational efficiency;	Management	12 Months

M8B1.3	Review existing staff positions and associated job descriptions to support improved operational outputs of staff (home office and overseas posts coverage);	Management	12 Months
M8B1.4	Design and implement an internal Annual Performance Review (APR) form and	Management	12 Months
M8B1.5	Formulate and implement an annual or short-term strategic plan to support its budget request and guide its annual operations;	Management	12 Months
M8B1.6	Orient BFAT staff to MTDS and MTEF/MTBF to grasp core development initiatives to define its strategic plan and cost its implementing activities;	Management	12 Months
M8B1.7	Take stock of all regional and international treaties/conventions and organizations Palau maintains membership subscriptions with and conduct comprehensive cost- benefit analysis of each; Propose a plan to retire existing arrears including all pending financial liability of any Republic embassy;	Management	12 Months
M8B1.8	Establish Microsoft Access-based database or equivalent to chronicle all official records and correspondence, including proper capturing of international dues/fees obligations and fellowship/trainings (explore possibility of incorporating into existing network system being built by Envision), to enhance routing of documents to other ministries, ensure timely and appropriate utilization of external programs, and enable the Republic to meet its external obligations; Design MoS intranet to support its home-based and overseas operations;	Management	12 Months
M8B1.9	Design a skills promotion program for Foreign Service Officers to specialize in key sector or thematic areas that respond to ranking national and international issues or development needs of Palau;	Management	12 Months

M8B1.10	Establish a FSO rotation to support overseas missions with appropriate pay and benefits schedule;	Management	12 Months
M8B1.11	Review foreign nationals' employment and contracts in overseas missions and make appropriation recommendations for attrition;	Management	12 Months
M8B1.12	Downscale ROP-Manila embassy operations with preservation of diplomatic privilege to MoH-MRP Manila official(s);	Executive Order	12 Months
M8B1.13	Design a cost-effective plan for consular representation in the CNMI to be implemented;	Management	12 Months
M8B1.14	Conduct review of existing ambassadorial contracts and propose measures to provide for equitable pay and benefits schedule;	Management	12 Months
M8B1.15	Strengthen protocol staff operations, including management of VIP Clearance procedures and practices and Airport VIP Lounge (in consultation with appropriate International Airport authorities); and	Management	12 Months
M8B1.16	Ensure external technical assistance and grants sought correspond to national development priority.	Management	12 Months
M8B1.17	Review ongoing EU representation scheme to promote PIC official's placement in the post;	Management	24 Months
M8B2	<i>Bureau of Domestic Affairs</i>		
M8B2.1	Reinstate the Division of Media currently in the President's Office and return function and staff to BDA;	Management	100 Days

M8B2.1	Take stock of government broadcasting equipment and existing infrastructure and staff with recommendation of options for outsourcing the public broadcasting service;	Management	12 Months
M8B2.2	Review the organizational setup of the Palau Law Access Unit including requirement of self-financing mandate to ensure its effective implementation;	Management	12 Months
M8B2.3	Improve public records collection and dissemination through utilization of any possible features of the MoS IT network being established and/or absorb National Archives functions and resources;	Management	12 Months
M8B2.4	Undertake assessment of the 16 state governments' development needs to inform design of its annual strategic plan to guide its mandated responsibility of assisting the state governments;	Management	12 Months
M8B2.5	Review existing staff positions and functions to determine optimal level of staff requirements that support improved operations; and	Management	12 Months
M8B2.6	Design and implement an Annual Performance (APR) practice, with appropriate form, to monitor staff performance.	Management	12 Months
M8B3	<i>Passport Office</i>		
M8B3.1	Produce passport-related equipment and assets inventory and recommendations for replacement or backup stock;	Management	100 Days

M8B3.2	Identify a suitable office space in Koror and relocate office and staff; and	Management	100 Days
M8B3.3	Establish a regular inventory report of all blank passport stock and issued passports to the Minister and President every quarter.	Management	12 Months
M8B4	<i>Office of Public Defender</i>		
M8B4.1	Initiate a review, followed with execution, of the appropriate placement and budgetary needs of the OPD, including guidelines for clear and best possible client representations between the OPD and the Micronesian Legal Services in view of constrained resources.	Management	12 Months