

**NATIONAL MASTER DEVELOPMENT PLAN
REPORT OF THE NATIONAL PLANNING WORKSHOP
ON THE DEVELOPMENT AGENDA
14 DECEMBER AT MARINA HOTEL**

PALAU
2020

Prepared by
The SAGRIC NMDP Team
December 1993

REPORT OF THE NATIONAL PLANNING WORKSHOP ON THE DEVELOPMENT AGENDA

14 DECEMBER 1993 AT MARINA HOTEL

1. Opening by Chairman of Task Force

Chairman

Suggested that meeting be conducted in Palauan. There was an objection; it was agreed by everyone that meeting be held in both English and Palauan.

The purposes of this Planning Workshop are:

- 1.1 To advise the Palauan public and leaders as to the progress of the NMDP process
- 1.2 To critically appraise the statement of the National Vision as prepared from consultations and meetings all over the country
- 1.3 To critically appraise the proposed sets of possible actions required to convert the Vision into a practical reality.

I encourage participants to devote their energies and ideas to the improvement of the materials which have been distributed, and to approach the subject with a concern for the welfare of Palau as a whole.

2. Opening Comments by NMDP Team Leader

Today could be decisive, a critical event in the shaping of the New Palau. You can not see it yet, because you are moving with the trend, moving in the current from *Old Palau* to a *New Palau*. But you will remember this occasion in the forming of the Master Development Plan; and you will remember the role (time will show what that role is) of the Master Development Plan in the forming of the New Palau.

I am in Palau to implement a contract in planning which was drawn up and approved by your leaders. My only interests are to provide the best quality **recommendations** in planning; and to provide **opportunities** for you and your leaders to contribute to the forming of the plans.

The quality of the plan is not something which you can wait for and then pass judgment in November 1994. *The quality depends on Palauan input along the way.* This Master Development Plan is different to all the other plans. This Development Plan is :

Made
in
Palau

The forming of the Master Development Plan is based on a *strategy of progressive consent*. The planners must "stay in touch" with the acceptance and approval of the public and the leaders. If the gap is too wide, or the Palauan involvement too weak, the Development Plan will not gather the understanding, acceptance and credibility needed to give it force in the New Palau.

Progressive consent is necessary to spread understanding throughout the community. The Master Development Plan - on present indications - will contain over **500 recommendations** on all matters mentioned in the Contract. Some matters will be "big"; some will be "small" - but all will be important to Palau and to particular interest groups and individuals.

If we do not deal with the 500 items progressively, the Palau society will not be able to understand, appraise and decide on such a large agenda in late '94. This Workshop is one opportunity; there will be a National Forum in January, and Planning Workshops in April, July and September, to give other opportunities at critical stages in the planning process.

So there is a challenge to you and your leaders: to put your ideas, wishes and beliefs for the New Palau into the forming of the Master Development Plan.

Let us start by appraising the National Vision Statement, then examine ways to convert the Vision to Development Goals, Objectives and Actions.

3. Discussion of National Vision

(references are to the Vision Statement distributed in Workshop materials)

Comments on the Vision Statement by Delegate Alan Seid

"From this first review of national Vision Statement, I think that the development goals are very much acceptable and are in line with what many of us want. Also I appreciate the fact that the Vision Statements are geared towards human and social development and not just economic development and physical development. We look forward to contributing to the task of turning these development goals into practicable actions."

Speakers from the floor:

- 3.1 Please explain why the vision is inclusive of "visitors and foreign workers and contributors"?
- 3.2 Speaker is concerned because this may mislead people to pay more attention to foreigners and visitors and not to Palauans.
- 3.3 If we develop Palau to be a good and better place for Palauans it should naturally be a better place for visitors and foreigners, too.
- 3.4 Palauans should make good use of visitors and foreigners.
- 3.5 Questioned the "standard of living":

Why do we want to raise the standard of living? Maybe the word "quality" should be used. We want to improve the quality of life and social stability. Maybe we are losing grasp of the value of *simply living in Palau and enjoying it.*

3.6 We want to enhance the value of our living in Palau and being Palauan.

3.7 That's the very point we want to emphasize in the vision: we want to enhance the value of our living, our simple living in our Palau.

3.8 Suggestion from one participant: the word "security" be replaced by the word "welfare" of the people. (Some people see negative implication in the term "welfare"; as in "welfare recipient".)

3.9 Once again, Chairman emphasized that the purpose of this discussion is to conceptualize on the thought, the idea, the concept and not so much on word by word arguments.

3.10 We should emphasize and remind ourselves and others that in Palau, everyone is treated as an equal in access to and use of resources.

3.11 Religion: where does it fit? Inclusive in the "health & fitness" as part of spiritual and psychological health.

3.12 From Dr. Vitarelli, Distinguished Visitor: *" I know Palauans are very generous people; while the capitalist system is not generous. The Trust Territory Governments did not do what they were supposed to do; the US controlled Palauans for strategic self-interest. Now Palauans must organise themselves to be responsible for their own affairs*

3.13 *Palauans are very generous and very competitive people. The competitive aspects must be well managed for the common good. This Master Plan will "save your life" if you implement it properly and courageously. It is important to plan but will be useless if it is not implemented well. You must sacrifice something in making the changes, go back to your generosity. This document (Master Plan) will save you; go back to your generosity, you had it in you, you can have it again. I hope to God that you do not give up your culture, your generosity, your melengmes, in dealing with all the changes approaching."*

3.14 One Participant: Vision Statements contains too many statements of development goals and objectives; they should be consolidated. But more important are the action statements: we should narrow the Vision in order to make it more definite and inspiring.

3.15 Will it make any difference if we change wording from "standard of living" to "quality of living"? (Suggestion is taken up, Chairman replied.)

3.16 The Master Plan has to be flexible in accordance with the uncertainty of changes which are coming, and in accordance with the capacity of Palauans to adapt. Similarly, its process for preparation and approval must be flexible.

4. Notes From Group Discussions on "Converting the Vision and the Development Goals (Objectives) to Actions"

(Reference numbers refer to pages 25-30 of the Materials for the Planning Workshop)

1. Confidence in Culture (Group A)

1.1 A) Assessment of Culture

- promote only those aspects which are *relevant* in present society
- maintain essential cultural concepts
- promote those which are acceptable
- not overdoing or abuse culture

B) How to put Culture into Effect:

1. Funeral

- eliminate being awake till hours pass
- decrease food consumption

2. Ocheraol (House Party)

- Should be analyzed and scrutinized for fairness and sustainability

1.2 Leaders should be leaders; Start Cultural understanding in Education from K-12

1.3 *Educational system be geared toward cultural confidence.* In K-12 as well as adult education.

- formal Education
- public Media

1.4 Identify what foreign influences there are and culturally appraise them for relevancy and practicality.

- promote the good ones
- leave the wrong ones

1.5 Thru education both K-12 and adult education with curriculum & media.

2. Social Stability (Group B)

2.1 Promote the *family* as a social base for stability

2.2 Public *confidence in leadership* - how to build this up?

2.3 Emergence of *un-social behavior in our young* is puzzling and threatening

2.4 Reformation of *government structure* to a manageable size and to be more compatible with traditional ways of operating

2.5 Keep *development slow*; and the *resolution of differences* to be dealt with in the Palauan process - not legislate or court judgement/legal process

2.6 Concepts of preservation and conservation to be spelled out

Comments on Action Statements

Add to 2.2 : Culture, value, heritage

On 2.3 "*Melengmes*" versus *free flow of information*; assertiveness is encouraged in a democratic state.

On 2.4 *Public ethics* related to public confidence in leadership

On 2.6 Acceleration of *land title* matters - yes, but the resolution is to be dealt with in Palauan ways

3. Increasing Ability (Group C)

3.1 Team fully supports and concurs with 3.1 to 3.10 and wish to list the following:

3.2 Education plan for Palau *prioritizing area of needs* to award scholarships

3.3 Recognize and award full scholarships to first 10% students from all high schools (% may be smaller, though).

3.4 Award student grants within 60-90% of class standings - also provide student loans.

3.5 Promote *Palauan informal education* such as "School of the Pacific" (Ibobang) with emphasis on learning Palauan ways of practical and traditional living - crafts, fishing, farming, etc.

3.6 Provide mandatory programs at State level to assist students who graduate from high schools but do not go for further education off-island, such as US Peace Corps programs, Vistas, and JTPA

3.7 Strengthen programs at National level to assist students who do graduate from high school but otherwise need more academic trainings - such as "8 1/2 " programs!

3.8 Develop a students tracking system at National Scholarship and students coordination office to maintain contact with all graduates from high schools as to their whereabouts and what they do and what they become in the future and in their society. This helps reassure students that RoP government is supporting them by at least showing care about each student's future.

3.9 Encourage and implement "*counterparts*" programs so as to fully assume tasks after two years of employing a foreign worker (the law should *limit employment of foreign workers to only two years and discontinue transfers.*)

4. Respect for Practices (Group D)

4.1 Okay

4.2 Okay

4.3 Use of *non-kin mentors*: This will conflict with family structure. (Palauans keep problems in house). We should strengthen discipline by uncles, cousins etc.

4.4 Okay

4.5 Okay e.g. *Conflict of interest law* is needed

4.6 Enforce littering laws on Government agencies

4.7 Provide formal education in Schools to promote respect for elders and leaders

4.8 *Educate visitors* on Cultures - also foreign workers (through media, PVA, etc.)

4.9 Strengthen observation of traditional taboo system (Blul)

4.10 Regulate *election of public officials* to minimize expense

5. Increasing Productivity (Group E)

5.1 Rewards - could be monetary, promotion, medical and other benefits

5.2 Through certificate of award

5.3 Vocational academic training - Government and private sector to invest in scholarships for *bonded workers*, and on-job training

5.4 Include for lower level: *the workers in the field*

5.5 Add " Public & private sector"

5.6 *Utility industry: leave it semi-autonomous.* PNCC & IPSECO should not be fully commercialized

5.7 Include "State Government"

5.8 Need to *watch Government deficit*. Utility-establish commercial rates higher than residential rate.

5.9 Emphasize Public sector to raise cost; Re-emphasis on Private sector.

5.10 Full support

6. *Resource Management*

6.1 Palauans have a hard time *reporting offenders*

6.2 Palauans have a hard time participating in investigation and hearing

6.3 Proof of compliance - harmful and restrictive to users

6.11 Seasonal, or increase number of residential areas

6.12 Videos, in-flight information, leaflets, brochures to visitors

6.13 Regulation on importing used goods, because of uncertain standards

6.14 Restrict "living" in Rock Islands - people are making homes there

Need consideration of controlling behaviour through Palauan ways - find effective ways for the Palauan people to *take responsibility and face responsibility* to manage and control resources.

Other things to consider in resource management (from Mr Noah Idechong, Chief of the Division of Marine Resources):

1. Strengthen capabilities of *insitutions* charged with responsibilities for resource management.
2. Require consultations between concerned agencies with regards to developments and investments that affect resources.
3. Promote research that provides *information for management* decisions.
4. Assess *resource use tax* to help finance management effort
5. Support projects that will enhance *renewable resources*.
6. Participate in *regional/international* efforts for management.
7. Utilize *traditional management* where appropriate.
8. Delineate authorities and responsibilities between resource owners/users and managers. States and National Government to provide for effective, *cooperative management system*.
9. Provide framework for *uniform environment and resource regulations* among State Governments.

7. *Health and Fitness*

7.1 Promote proper diet and care from infancy

7.2 Promote locals for labour work; *instill feelings of hard work* to do our own duties, not sit and ask foreign helper to sweep own house make your coffee. Give your baby a bath.

7.3 Okay

7.4 Okay

7.5 Promote *local produce* which is better diet for better health, modify our behavior - stop smoking, reduce alcohol drinking

7.6 Promote other *preventive* aspect of Health instead of curative only.

8. *Material Conditions*

8.1 What is the reasonable rate of growth? Is 6% realistic? Where are we now in terms of growth rate? Present rate is 4%; 6% appears to be logical and adequate. (NOTE: second assessment of NMDP Team suggests *5% as reasonable target*).

a) Local citizens (Palauans) should be a focal point of development
b) Raising the standard of living for year 2020 does not seem to enhance today's standard of living; or it doesn't seem to do so. This raises the fear of developing the future at the expense of the present?

c) Looking at the Gross Domestic Product:
- How does *distribution* impact the population at large?
- *Distribution of the wealth* should affect or have impact equally, and as much as possible to the individual Palauans and their family.
- *Human Development* (omekdubech er a ungil Klechad) should be " the basis, the goal, the guidelines and the key to sound economic development".

8.2 This addresses the concern raised above. (8.1) The distribution of wealth should benefit as equally as possible the individual members and the family units and general development as well.

8.3 Location: What do we mean by this? Political status?

- Add "sustainable" to the mention of "yield"
- Add "new available resources" to "Political Status"

8.4 Okay. Add "Reduce" & "Control" to leakage to replace and promote industries

8.5 Logical and enough. Add import substitution.

8.6 Okay

There was not enough time to go over all points. However, we feel these are all logical and enough.

9. *Innovative, Creative and Dynamic Society*

9.1 Achievement - heritage in being a Palauan

9.2 What about "*old leader*" and "*young leader*" both in private and public programs

9.3 Okay

9.4 Okay

9.5 National and State Government

9.6 Okay

9.7 Redundancy schemes: change to....." jobs and opportunities"

9.8 60% local; 40% foreign

9.9 Okay

9.10 Okay

9.11 Okay

9.12 Okay

9.13 Incorporate with 9.12

9.14 Okay

9.15 New item - promote *social institutions* (practices and religious groups)

10. Confidence in Social Systems

- 10.1 Agree. In order for the general population to have confidence in Social systems, they must be convinced that their *leaders support those systems*.
- 10.2 Agree. Need to be *enforced*, not just established
- 10.3 Agree.
- 10.4 Agree. However, 10.1, 10.2 should result in such action.
- 10.5 Agree. However, 10.1, 10.2 would assure this action
- 10.6 Agree. This should involve older citizens setting examples, and getting younger people involved through education in the home, school and other social institutions as appropriate.

11. Access to Natural Assets

- 11.1 foreign/Local sharing?
- 11.2 Agreed
- 11.3 Education required
- 11.4 Education
- 11.5 Agreed
- 11.6 Agreed
- 11.7 Solar power and mass type transportation as examples(agreed)

12. Public Safety (Peaceful living atmosphere?)

- 12.1 School curriculums and also consistency of practice at homes to promote Palauan values.
- 12.2 *Censorship* if possible - parents' active involvement with materials being shown to young minds.
- 12.3 By nature Palauans are *overly hospitable* to the point of too much tolerance. This item is somewhat conflicting with 12.2.
- 12.4 Okay
- 12.5 Should strike a *balance between the two systems* to avoid the least evil and to maintain and come to the most acceptable resolution.

13. Opportunity Provided

- All seem to be okay.
- 13.1 Not really clear - but laws have to be clarified.
- 13.2 Go to private companies.

Add - Law on *Public land for leasing* by Palauans who don't own land.

14. Stability in Laws & Practices

All okay.

- 14.4 Code of ethics to be established and vigorously enforced.
- 14.5 Don't really understand procedures but needs improvement
- 14.6 Change "acceleration" to "set a timetable/timeframe"

15. Proper Information

- 15.1 Agree. As properly regulated and appropriate, especially with respect to the private sector (private sector may not be willing to provide information)
- 15.2 Agree. (both forms) weight of information to be considered
- 15.3 Agree. As applicable and appropriate
- 15.4 Strongly agree
- 15.5 Agree. Especially as applicable to *distribution of resources* - for example, on *taxes*

see also: 13.5 Accomplish *auditing capability*

16. Assurance of Fairness

The group all supported proposed actions 16.1 to 16.2. We believe these proposed actions are reiterated in prior objectives and are well addressed.

Suggestion to add #17 to the Objectives and Development Goals - Tourist industry and the safety of tourists coming to Palau.

5. Closing Comments

Governor of Ngeremlengui: *"We all blamed the educators and teachers for not teaching our children adequately. However, we should know that basic learning starts at home and it should be practiced first at home. How many parents here, take time to teach their children?"*

It will be hard to set policies to control various types of customary practices and any other policies because of only few states are represented here, today. The young and old people and our traditional staff must all work together.

The information you have gathered so far is enough for you to use for an interim plan. Will the interim plan be formulated (made) by this same process? Is it possible to make a recommendation from this Workshop to your Task Force that you be involved in the Interim Plan? I am very concerned that the States will not be involved in the approval process for the Master Plan or for an interim plan.

There's has been much encouraging comments and input and we were inspired by this workshop to improve the quality of our work."

Minister for Resources and Development: *"Appreciate very much what all of you have contributed here today. I also want to thank Dr. Don Townsend for all the hard work he and his Team have been doing, to make sure that all these reports and papers are prepared and distributed on time.*

There is no doubt that the Public is being heard; their concerns and suggestions of what they want to be like in the year 2020 are being taken into the Master Development Plan. From this Planning Workshop I, and I believe all of you as well, are inspired to get more involved in the NMDP process."

Chairman of Task Force: *This has been an interesting and satisfying exercise. I believe that we have given the planners good guidance and plenty to think about.*

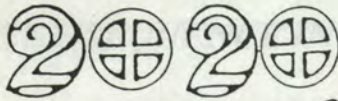
The task of formulating the Master Development Plan must continue in accordance with the terms of reference in the Contract regardless of the program for implementing the Compact Agreement with USA. However, it is important to recognise that the processes are closely related, both in terms of the needs of Palau's society and in terms of requirements of the Compact.

Certainly we need to move to implement the will of the people as expressed in the plebiscite; but we need to move in a way which ensures best use of Compact funds and related opportunities for the long term development of Palau. Task Force will be doing its best to produce a wise and fair Master Development Plan to guide our collective efforts.

Thank you for your cooperation.

6. ATTENDANCE

NAME	ORGANIZATION	POSITION	PHONE
1. Emill Remarui	Bureau of Education	Chief	488 2567
2. Dr. Minoru Ueki	Private	None	488 2032
3. Dr. V. Vitarelli	Distinguished Guest	Ret. Prof.	Maui 808 572 9205
4. Clara Kalsclear	Private		488 2191
5. Kathy Kesolei	MEDA	Director	488 2694
6. Manasseh Temol	Commerce	Chief	587 3536
7. Santy Asanuma	Businessman	General Manager	488 2308
8. Henaro Antonio	Labor Office	CSHO	488 2497
9. Delegate Alan Seid	OEK	Delegate	488 2507
10. Delegate Minami Ueki	OEK	Delegate	488 2507
11. Elia	Private		488 1290
12. Kentaro Yamashiro	Private		
13. Barry Pollock	EQPB	Engineer	488 1639
14. Gilbert U. Demei	EQPB	Exec. Officer	488 1639
15. Todd Musheff	EQPB	Asst. Atty. Gen.	488 1639
16. Lucio Abraham	EQPB	Asst. PO	488 1639
17. Surangel Whipps Jr.	Surangel & Sons	Businessman. owner	488 2608
18. Ramon Rechebei	Foreign Affairs	Chief, Tech. Asst.	488 2490
19. Salvador Ingereklii	Ministry of Justice	Minister	488 3198
20. Gov. John Skebong	Ngeremlengui	Governor	488 2190
21. Andy Ucherbelau	Treasury	Director	488 2551
22. Steve Umetaro	Bureau of Education	Director	488 2952
23. Irene N. Obeketang	LCHO (Judiciary)	Clerk	488 2232
24. Ernestine Rengiil	Ministry of Justice	Attorney General	488 2481
25. David K. Idip	Bureau of Nat. Res.	Director	488 1475
26. Billy G. Kuartei	Ministry of Education		488 1464
27. Steve Nakamura	Min. Com. & Trade	Asst. to Minister	488 1116
28. Kurterbis Kurtermalei	Sonsorol State	Governor	488 1237
29. Noah Idechong	Div. of Marine Res.	Chief	488 3125
30. Mike Mathews	Tobi State	Adviser to Governor	488 2218
31. Ulai T. Otobed	Ministry of Health	Doctor	488 2813
32. Herman Rodas	Min. Com. & Trade	Chief	488 2497
33. Ngiraked Bandarii	Kayungel State	Governor	488 1584
34. Saito Baudong	Ngchesar State	Councilman	488 1848
35. Robert R. Saburo	Land Registration	Officer	488 2330
36. Maria Rehuher	Min. Com. & Trade	Director	488 1116
37. Juan Polloi	Air Palau Corp.	General Manager	488 1080
38. Erica Rosenberg	OEK (House)	Legal Counsel	488 2289
39. Hermana Ramaruii	Community Services	Chief Archivist	488 2107
40. Anastacio Brobesong	Bureau of Arts & Cul.	Director	488 3361
41. Mitch Solang	Community Services		
42. Yukiwo Ngotel	Ngchesar		
43. Florencio Adelbai	Ngchesar		
44. Moses Ramarui	Ngchesar		
45. Tobias F. Aguon	Ngerchelong	Governor	
46. Vic Hobson	TTPI	Director	4882601
47. Masao M. Ueda	Ministry of Health	Minister	488 2552 / 2813
48. Francis Matsutaro	PCC	CEO (Pres.)	488 4669
49. Masae Demei	Private		4883247
50. Joe Ysaol	National Planning Office		
51. Macelino Melairei	Min. of Res. & Dev.	Minister	488 2701
52. Moses Uludong	Palau Governors Ass.	Task Force Chairman	4883159
53. George Ngirarsaol	Min. Com. & Trade	Minister	4881116
54. Masa Aki Emesiohl	Ministry of Education		488 2570
55. Don Townsend	SAGRIC International	Master Planner	4883252
56. Dilmei Olkeriil	SAGRIC International	Community Liaison	4883252
57. Faye Remoket	SAGRIC International	Secretary	4883252
58. Kammen Chin	National Planning Office	Counterpart	4883252



UPDATE TO NATIONAL MASTER DEVELOPMENT PLAN DEC. 1993

Introduction to NMDP Process

NMDP Team has taken the challenge of planning out to 45 meetings and workshops all over Palau. This seeing-and-listening phase has shown people's concerns about Palau's conditions and its future. Many people:

- are skeptical about the future use of the development plan
- doubt that leaders will apply rules which they themselves propose and legislate
- are concerned about equal sharing of the benefits of development, including spending of Compact money
- are confused about the relationship between NMDP and Compact implementation.
- can not see clearly how to develop its potential in marine resources and tourism.

There is a deep hunger for a comprehensive plan for Palauans to manage social, economic and environmental changes.

Therefore, the NMDP has presented a National Vision, which leads to the Development Scenario. These documents are the basis for planning for States, sectors and institutions in 1994.

Opening by Team Leader at Planning Workshop, 14 Dec. at Marina Hotel

The quality of the Master Plan is not something which you can wait for and then pass judgment in Nov. 94. The quality depends on Palauan input along the way.

The Development Plan is based on a **strategy of Progressive Consent**. Planners must "stay in touch" with the acceptance and approval of the public and the leaders. If not, the Development Plan will not gather the acceptance and credibility needed to give it force in the New Palau.

The Master Development Plan will contain over 500 recommendations on all planning matters. Some will be big; some small - but all will be important to Palau, interest groups and individuals.

If we do not deal with the 500 items progressively, the Palau society will not be able to appraise and decide on such a large agenda in late '94. The Marina Workshop is one opportunity; there will be a National Forum in January, and Planning Workshops in April, July, September, at critical stages in the planning process.

Summary of National Vision for all Palauans

**" WE WANT TO
IMPROVE THE
QUALITY OF LIFE
AND SECURITY OF
ALL PALAUANS,
VISITORS AND
CONTRIBUTING
FOREIGNERS."**

The *quality of life* includes:

- **confidence* in our culture
- **capability* in valuable work
- **respect* for beliefs & institutions
- **productivity* in work
- **management of environment*
- **health* and fitness of the people
- **material conditions* for living
- **creative dynamism* of society.

The *security* concept includes:

- **social harmony*
- **confidence* in social systems
- **safety* of persons and property
- **fair access* to resources
- **fair opportunity* in jobs & life
- **stability* in laws and regulations
- **information* on public affairs
- **protection* from developmental activities of others.

The Vision and Development Goals shape the policies for the Development Scenario, which is the broad plan of where Palau can go, and what it must do to reach there - including what Palauans will have to give up in order to achieve other goals.

COMMENTS by DELEGATE

Alan SEID: "This is a very acceptable, initial statement of where Palauans want to go. We much appreciate that the Vision is geared towards social needs and human conditions, and not simply to economics, business and investment matters. We will continue to refine the statement, and strive to turn it into practical effects."

Converting Vision To Possible Actions

This is the exciting, creative part of NMDP process - having to declare what can be done to work towards the Developmental Goals summarized in the Vision.

NMDP Team is sorting out options to fit in a comprehensive development plan. The Marina Workshop reviewed 130 possible Actions - some policy changes, some projects and programs, and all will be reconsidered by NMDP. Widely supported Actions are:

- Improve public ethics as a basis for people's belief and effort in developing Palau
- Protect people's resources, and some businesses for Palauans only
- Manage the involvement of foreigners as employees, managers, investors, consultants and tourists
- Save environmental quality
- Advocate the role of the family in cultural, social and economic change
- Design formal and informal education for more valuable work and better quality of life
- Set work and skill training as the largest part of Palau's development agenda
- Find ways to involve young people in developmental roles
- Manage the economy and government spending for wise and fair use of resources
- Build up our management of international relations

- Sensitively manage changes from traditional ways to international ways of society.

COMMENTS from DOCTOR VITARELLI, Distinguished Visitor: "I know Palauans are very generous; the capitalist system is not generous. While the Trust Territory controlled Palauans, it did not do enough to make positive changes. Now you need this Development Plan to enable you to manage change. To implement the Development Plan, you must sacrifice some things, that is true. But do not give away your generosity, do not give away those things which make up your culture."

The Economic Development Scenario

NMDP offered very tentative guidelines for economic change in 1995-2020, in % growth per year of \$ values:

Overall economic growth	5%
Inflation	4%
Government consumption	2%
Government capital	3%
Overall taxation (all kinds)	3%
Infrastructure, facilities	5-7%
Exports	5-7%
Marine resources exports	5%
Tourism	7%
Productivity per worker	3-4%
Private pay, conditions	4%
Overall Savings	5%
Job Training Spending	5%

To maintain balanced growth, the number of Foreign workers should be set equal to the number of Palauan workers :

(a Policy of Parity).

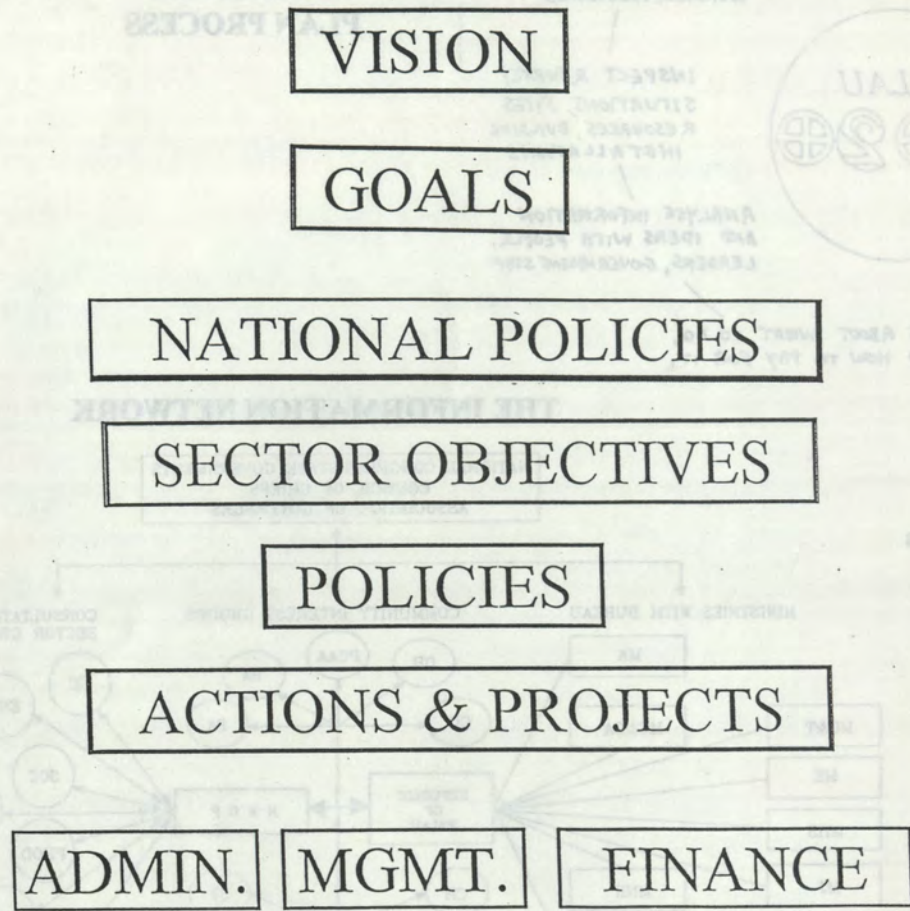
Employers will bid for permits to recruit. Thus public and private employers will have an incentive to innovate, to improve productivity and to raise wages so as to retain more Palauans in jobs in Palau. By this means, Foreign workers will be used in the jobs where they make the most contribution to Palau's economic development.

What Next In NMDP?

- redraft and refine the statement of the National Vision and the Actions serving the Vision.
- expand and strengthen the Development Scenario, the Policies and the Economic Planning Guidelines.
- The VISION, SCENARIO, POLICIES and GUIDELINES will be submitted for approval to the National Forum on 27 Jan. 94. They will be used for the detailed planning of sectoral, State and institutional development, which is due for Feb-May 1994.
- NMDP will conduct meetings for informing the public and testing ideas and options.
- Draft Master Plan will be presented to Task Force in late June; Final Plan will go to OEK in late November, then to the US for approval in Dec. 94.

**DI LORAE L A
CHELDECHEDUCH**

THE SEQUENCE IN FORMULATING THE MASTER DEVELOPMENT PLAN



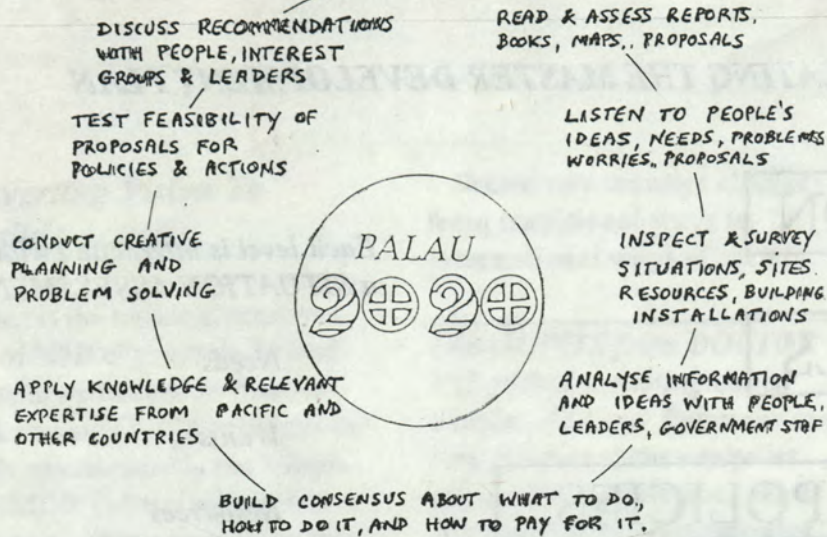
Each level is interacting with a **SITUATION ASSESSMENT:**

- Needs
- Wants
- Resources
- Problems
- Constraints
- Opportunities
- International Interests
- Cultural Change
- Social Change
- Political Change

WORKPLAN FOR NATIONAL MASTER DEVELOPMENT PLAN

ACTIVITIES	1993								1994										
	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
INCEPTION	█																		
ASSESSMENT				█															
DATA, SCENARIO, & POLICIES				█															
SECTOR PLANNING								█											
STATES PLANNING								█											
INSTITUTIONS								█											
FIRST DRAFT									█										
REVIEW, DISTRIBUTION										█									
FINAL DRAFT											█								
LEGISLATION												█							
OEK APPROVAL																		█	

YEAR



THE MASTER PLAN PROCESS

THE INFORMATION NETWORK

- KEY:**
- MA-Ministry of Admin.
 - MC&T-Min. Commerce & Trade
 - MC&CA-Min. of Com.&Cult. Affairs
 - ME-Ministry of Education
 - MHS-Min. of Health Services
 - MJ-Min. of Justice
 - MNR-Min of Resources&Devt.
 - MS-Ministry of State

- BA-Boatowners' Association
- CC-Chamber of Commerce
- CH-Churches
- DB-Didil Belau
- FA-Fishermen's Association
- FW-Foreign Workers
- OAG-Old Age Group
- OB-Otil a Beluad
- YC-Youth Congress

- EC-Economics ENV-Environment
- SOC-Social PROD-Production
- TOUR- Tourism EDUC-Education
- INFR-Infrastructure, Energy, Water

