

	United Nations Development Programme Pacific Office in Fiji	BACK TO OFFICE REPORT (BTOR) Submitted by: Nasantuya, Tevita and Vinay Date Submitted: 29 May 2019
Expected Key Outputs of this Mission		
<ol style="list-style-type: none"> 1. Successfully completion of 6 national recruitment and offer letter given to successful candidate. 2. Negotiate a possible office space within government and setup needs or scope for office space in countries if government allocated space is not available. 3. Networking and getting to know key stakeholders including meeting the UN agency presence to know and document some of the challenges and risk 4. Get key requirements from each country on tax compliance and regulatory compliance to opening bank account. 5. An assessment report for future operational support, inception and capacity building mission which would be undertaken when the project managers and other officers are hired. 		
<p>3. Mission Period (incl. of travel \days): 17th May 2019- 8th June 2019. RMI - 20- 24th May 2019 FSM - 27- 31st May 2019 Palau - 3- 6th June 2019.</p>		
<p>This report covers period from 20 to 24 May for Marshall Islands component of the mission.</p>		
<p>Summary of findings of scoping mission:</p>		
<p>It was very evident from onset of the mission that there will two main operational challenges for the project setup in Majuro: finding national staff with right qualifications and appropriate office space.</p>		
<p>Human Resources:</p>		
<p>Only one application for each of national positions were received for Finance/Administrative Officer and Procurement/Logistics Officer respectively. Applicant for Procurement/Logistics Officer post didn't meet minimum qualification requirements and thus wasn't considered for the interview. Applicant for Finance post was highly qualified and currently employed by Deloitte, however, she withdrew her application when invited for an interview as she was offered higher salary at the current company. The team further explored with key stakeholders, including NDMO, MoFA, Department of Labour on ways of getting more applications and was advised that the complication is that there are only few people in RMI with higher university degrees, or those who possess degree may lack required number of years of work experience. RR approved lowering the minimum qualification requirements, which is in line with SC Guidelines and the HR announced new vacancies for both posts for one more week, with closing date of 31 May. Based on consultations with the local authorities, the team used one additional means to spread the word on the vacancies and used Bulk SMS messaging on 24 May, Friday to all phone subscribers announcing the vacancies and encouraged qualified applicants to submit applications. As of today, few applications were already received in response to this bulk SMS message. Shall wait until the deadline to call for interview.</p>		

Parallel call for iUNV applications is also ongoing impending the final decision on the national applicants.

Office Space and associated requirements, i.e. internet, furniture, equipment:

NDMO doesn't have office space to house the project. JPO office has limited space. The scoping mission was informed by all concerned parties including IOM Deputy Party Chief that office space is very limited, and it took them a while to find a more or less suitable place. Should a better place be found, they would move out from the current one.

The mission looked at all possible options and makes a recommendation to rent approx. 600 sq ft office space from Robert Reiner Inc. which is currently occupied by the Nuclear Claims Tribunal (NCT). NCT is located above Bank of Marshall Island and centrally located. Based on verbal commitment of Ms. Sophie Flower, Manager of RRE, the space would be vacated by NCT in a month time and by mid-, end-July would be available for rental, rent is in range of USD 800/month. RRE will renovate the office space and proceed with lease agreement accordingly. The building has fiber optic connection which is very positive attribute considering how unreliable internet services are. If rented, the office will require further installation of MOSS requirements such as burglar bar, closing of glass section at entrance. Team also approached Mr. Mack Cappelle, Marketing Manager of National Telecommunications Authority (NTA) for possibility of leasing office at NTA. However, no positive response was received. The team also pursue hotels as office option, at both RRE and Marshall Islands Resort. Both hotels have long term tenants, but none is open to new leases in 2019. However, after two meetings Mr. General Manager of Marshall Islands Resort confirmed that he would be open to lease one room to the project starting from November 2019. Rent will be USD 1,050/month. UNDP will be required to furnish own office furniture. At Marshall Islands Resort the rent is inclusive of electricity. Advantage of office space at Marshall Islands Resort is location which is opposite the Chief Secretary's Office and proximity to government entities.

The team also explored options of prefabricated containers but wouldn't recommend as placement of containers (land issue), price and cost of fixing to the team requirements might be costly. However, such prefab option could be used in Ebeye for temporary office space for government offices, which will need to be relocated.

The team also explored internet, office furniture, office equipment and is to report that there are various options for internet: it is recommended to have business option at USD 140/month. For office furniture, it is recommended to purchase from Office Mart shop, which has reasonable desks, filing cabinets, chairs. Choices might be limited, and shipment might take 2 months to arrive. Office equipment, it is recommended to pursue purchase of laptops through Fiji Office from LTA holders while other office equipment such as printer, projector etc. procure locally from Majuro Computer Supplies (see computer shop section of the report).

Regulatory framework, tax exemptions:

The government counterparts: MoFA, Customs/Ministry of Finance confirmed that all consignments procured under the project will be customs duty/tax exempt in line with the signed SBAA. At the time of shipment and prior to the arrival of goods to ports (both Majuro and Ebeye), the project is required to submit Tax Exemption request letter to the Ministry of Foreign Affairs. Usual timeframe for processing tax exemption certificates is 7 working days but MOFA officials (Acting Secretary and Multilateral relations focal point) reassured the team that they will expedite and try to release within 3-4 working days

The project team needs to be aware of strict quarantine requirements in case of importing timber, wood, sand, gravel, etc. requiring prior treatment and prerequisite certificates from dispatching country authorities (see quarantine section of the report).

Banking:

Bank of Guam is the only FDIC certified bank in RMI. Given its monopoly status, there is no room for negotiating on fees. Most of UN personnel hold their accounts at Bank of Guam. They have to pay USD 10/transaction when receiving their payroll every month. Advice from Bank Manager was to try to source payments using Bank of America and not Westpack in Fiji, to reduce transmittal time and possibility of rejected payments. The team will further pursue discussions with Bank of Guam in FMS and Palau.

4. Type of Mission

- Oversight/Monitoring
 Event Related
 Resource Person
 Training/Knowledge sharing
 Others (specify): Scoping mission

Mission Member(s)

Nasantuya Chuluun
 Vinay Sharma
 Tevita Cokanasiga

Key counterpart (s) and persons you met in RMI

- Chief secretary for admin and disaster management.
- Deputy Chief Secretary
- Director NDMO
- NDMO information Mgt Officer
- Acting Secretary, MoFA
- Chief Customs, Ministry of Finance
- Chief of Labour Department, Ministry of Justice
- Chief Quarantine, Ministry of natural Resources
- Manager, Programme Implementation Unit, Ministry of Instructure
- Marketing Manager, NTA
- Vendors

20th May 2019. Arrival at 2.00pm

- ✓ Visited the UNJPO office.

Observation of the office space:

JPO accommodates UNFPA (2 staff), Small Grants Projects Office (2 staff). There is no spare office to house UNDP project.

- ✓ Meeting with Chief Secretary, Deputy Chief Secretary, Director of NDMO.

Briefing on the RMI Prodoc approval and the next steps. Operational brief on recruitment, office space set-up, governance issues and other relevant issues.

21st May 2019**Majuro Computer supplies:**

- Person met: Ermalyn Capelle (CFO)
email of CEE: matthew.fitzpatrick@mcsmajuro.com
- Looked around their shop to see the selection of IT items available that would be needed for the office setup.
- The shop had some selection of printers, overhead projected and few office equipment. They didn't have laptops in stock.
- They would be able to bring any IT items, supplies or equipment within 2 weeks of official order/PO issuance from USA by air.
- Most of the IT items comes with standard warrantee from suppliers.
- Apart from IT items, they are also IT supports which includes services like networking and cabling.

- They also have banner printing machines which can print 3.5mtr wide banner on canvas.
- Met with CFO to discuss opening of account with credit terms.
- Explained the reason of why UNDP needing an account as we process payments to vendors from Fiji and it would take time as funds will be processed through intermediary banks.
- UNDP would issue approved Purchase Order and payment would be done once goods are delivered to which CFO had agreed to.
- Also discussed on the duty exemption on items that would be procured, they agreed that the same procedure is currently applied to the government and embassies.

Meeting with National Communication Authority

Person met: Mack Cappelle, Marketing Manager of NCA to discuss the business internet plan and telephone options, as well as office space options.

- There are business plans which ranges from USD90.00 to USD140.00.
- Installation cost approximately USD250.00
- Guaranteed speedy installation upon receipt of request Requirements for opening of credit account.
- Fiberoptics is also an option depending on location of the project office.
- The telephone is operated through IP and not on PBAX.
- Also discussed with him office space options in their building to accommodate the project. He already checked with Vice President of NTA and shall revert once receives feedback from the President of NTA

Meeting with Programme Management Unit, Ministry of Infrastructure (PMU),

Person met: Malvin, Team Leader, PMU

- The team was informed that current consolidated lease in Ebeye should suffice for the EOC construction. Given the hive of development activities in Ebeye, the Project Management Unit (PMU) team of engineers will be regularly calling on Ebeye for site inspection, verification of preparatory work and other associated practical local practises.
- Ideal sq ft calculation on floor space is about \$199-250.
- Malvin mentioned that recent construction of two buildings in Majuro are using reinforced concrete for beams and precast concrete for floor space.
- He also mentioned that RMI doesn't have building codes and yet to adopt one which would be in line with the 2015 International Building Code requirements.
- Costs/permits to be considered include:
 - Gross Revenue Tax (GRT)- 3%
 - Environment Protection Agency (EPA)-Earthmoving Permit-\$5,000

Malvin also mentioned that as a standard practice, landowners are given the first right after demolition of any building.

Discussions centred on:

1. Developing appropriate TOR for design & build both for Majuro and Ebeye
2. Getting the structural Engineer on board
3. Having pre-qualified companies to apply for bidding
4. Finalise TOR for administration assistant.

On procurement pre-qualification, 10% weighting is accorded to local companies and that 60% of company equity ownership to be Marshallese citizen.

Bid security stands at 10%(WB-5%) of the bid amount. The only exception is those with a Foreign Investment Business License.

On project management structure, Malvin mentioned that the WB Prep II set-up has a sub-steering committee looking after the technical aspects and the main steering committee on strategic issues.

Design specifications to incorporate:

- 1.cross-cutting issues.
- 2.universal access
3. energy efficiency.

Meeting with Bank of Guam

Person met: Jackey Salomon, Manager, Bank of Guam (jackey.salomon@bankofguam.com; 625-3322

- Bank of Guam is the only FDIC approved bank in RMI, which has monopoly status there.
- There is another bank –Marshall Islands Bank (National Bank) which is not FDIC approved, no routing number, no electronic exchange and has very archaic paper-based processing system.
- Wells Fargo is the intermediary bank for Bank of Guam.
- There is following fee structures, which are non-negotiable given its monopoly status:
 - Incoming wire transfers – USD 10/transaction (which also affect payroll UN staff based in RMI)
 - Outgoing – min USD 100 and max USD 500/transaction (depending on amount of transfer.
- Normal transfer timelines 3-5 days, which might be affected by below challenges which delay transfers:
 - power outages, which are frequent
 - internet outages, which are frequent as well
 - national holidays which often fall on working days
- Usual practice payments which would be affected on Thursday would be processed on Monday.
- Solutions/proposed action to speed up transfers is to use Bank of America as originating bank as there is no need for SWIFT code only routing number.
- Merchant wire – USD 25/transaction regardless of amount.

Additional useful info by Jackey Salomon:

- Housing is available in Majuro for expats and varies from USD 200 to 700 per apartment. There is no restriction in terms of spouse employment for expats (it is called “spousal rights”).
- Given the presence of Chinese merchants there is competition which keeps prices of consumer goods down compared to FSM and Palau.
- Majuro is relatively safe place, with some petty crime, theft. No major drugs (i.e. ice, synthetic drugs), some marijuana usage has been noted, brought from FSM where it is legal to grow for own consumption. Recently the RMI Post Office was closed as two boxes of marijuana were shipped from FSM, which was confiscated.
- Human trafficking has been on rise especially brought on Chinese ships to use RMI as entry to the USA (road for US citizenship etc.).
- Two nationalities are the biggest expat communities: Fijian (in education, administration, consultancies) and Chinese who are mostly in commerce industry.

- Local workforce: most nationals would have high school education, few obtain university degree. Largest number would have advanced diploma degree. Higher paying jobs are in healthcare, education, congress, while lower paid jobs are in justice department, police (USD3/hour). Jackey noted that having university degree as qualification requirements will restrict applicants pool and potentially exclude potential well qualified candidates. Thus, lowering education qualifications is recommended. Tevita had checked with OHR/SC Focal point who referred that local labour market could be used for setting minimum requirements.
- NGOs, which includes UN, are the most attractive employment with mostly USD15/hr; Bank – USD 6/hr in RMI and government USD 3/hr.
- For vacancy announcement Jackey suggested to use mass text messages (USD100/message at NTA) instead of radio announcements and newspapers.

22nd May 2019

International Organization for Migration (IOM)

Person met: Ryan Mcvey, Deputy Chief of Party, IOM based in Pohnpei, FSM
(rmcvey@iom.int, 691-920-9600)

- IOM is implementing multi-year project RMI, which has more resources and logistical options compared with FSM and Palau.
- Key challenge is considered to find right people for their projects, perhaps with more emphasis on soft skills rather than technical, which could be gained in due course through capacity building programmes once staff is recruited. IOM project personnel are on staff contracts - FTA. Altogether 15 staff in RMI - Majuro and Ebeye.
- Office space is very limited in Majuro. IOM changed two offices (Long Island and Green Building) before finally renting their current office which is located in building next to Japan Embassy and is far from perfect. Recommended to find something and take it from there until finding something for longer term.
- In terms of banking services, IOM uses Bank of Guam with separate accounts in Majuro and Pohnpei. There are four bank signatories in each office. Online banking services of Bank of Guam allows immediate transfers between different offices of IOM and greater control/oversight by the management.
- IOM uses international procurements for supplies, which are mostly companies from USA. IOM has own engineers for constructions. IOM regional procurement unit is based in Manila and approves There are Long Term Agreements for supplies. For civil works usually local construction companies submit bids (IOM uses approach of prioritization for local companies). There are only few local companies which would be able to meet the requirements. IOM has penalties, liquidated damages clauses in their contracts, however, doesn't usually apply it. It also requires 10% of performance bond, which companies usually provide.

Proposed decision points:

- It is recommended to obtain LTAs from IOM and see if UNDP could use any of the items under LTA. OM had already requested for copies of LTA and will share with the team once received. So far Deputy Chief referred to his Party Chief to release the LTAs.
- Considering that IOM had difficulties in recruiting nationals on staff contract and for longer term contracts, UNDP will face tremendous difficulties in hiring its national project personnel. Hence force, it is recommended to hire iUNV for 2 positions in Majuro – Finance/Admin and Procurement/Logistics.

- Update from IOM on their roles and how they work in the region in regard to the logistics and capacity of warehousing and all other equipment's.
- Rental is quite expensive and hence utilizing the vertical space by arranging the items in container.

Meeting with Ministry of Justice, Labor Division

Person met: Peggy Trevor, Director (makauley@gmail.com)

- The Director Labor was briefed by the UNDP team on scoping mission and the challenges faced in one component of the mission which is the recruitment of qualified interested nationals.
- She was also advised that only one qualified national who applied, later withdrew her application.
- We then advised the Director that we are looking at options of recruiting qualified non RMI nationals who are interested in the two positions due to the challenge in recruiting interested nationals and urgency in the recruitment of project staff. The Director said she did not have any issues with the recruitment of qualified non-Marshallese nationals and highlighted that there are labor laws for foreign workers and this is processed through the Republic of Marshall Islands Ministry of Foreign Affairs office.

A question was posed to the Director Labor on how UNDP can attract qualified interested nationals?

- There is a National training council in RMI which assists Job seekers
- Scholarship office where there are returning Marshall students who studied abroad and need to serve their bond in RMI
- Qualification needs to be reviewed as master's and bachelor's qualified nationals are limited as most of them would have taken senior government positions
- Mode of advertisements could be deterrent in attracting applicants, as not everyone reads newspapers, but everyone is on their mobile phones, therefore Facebook and Mass Text message to mobile phones can be a better option
- Qualifications needs to be minimized as many nationals have Advanced Diploma which is available in the local college based in RMI
- There is no labor market survey done for Republic of Marshall Islands and ILO has been engaged to do this analysis.

Meeting with Ministry of Foreign Affairs

Persons met: Rina Keju, Action Foreign Secretary (rmtareo@gmail.com) and Andrea Muller, Multilateral Program Officer (kuuj.muller@gmail.com)

- The one-way visa clearance process takes one week as long as they receive an official written request, they would be able to facilitate. The processing of work permit is similar, if an official request is sent to their office. However, the MOFA will do utmost to facilitate the speedy processing, even reduce the response time to 2-3 days as long as all documents are in order.
- As for duty exemption on the purchase of motor vehicle for international staff or office, they would refer to the SBAA. Similarly, for purchase of office goods they would refer to SBAA or get advice from the Office of the Attorney General.
- The Ministry of Foreign Affairs representatives were briefed by the team on UNDP's scoping mission and the challenge the team was facing in recruiting qualified nationals for

the two national positions. They were advised that due to the limited time for recruitment, the team may have to recruit qualified non-Marshall nationals.

- A question was posed by the team to the MoFA representatives on whether it was an issue to recruit non-Marshallese nationals for the two positions given that we have not received any interested qualified nationals for the two positions and they responded there would not be any problem as there are no interested qualified candidates and as long as we request them officially, they will process the request accordingly. Henceforce if iUNV is pursued, MoFA would be able to support based on difficulty recruiting nationals.

Meeting with Real Estate Focal points

Person met: Sophie Reiner, Manager of Robert Reiner Inc., (sophiefowler@rreinc.com, 455-8761)

- Robert Reiner Inc (RRE) – company which has been existing for number of years in Marshall Islands. It built one of the first commercial centre on the Island, subsequently another adjacent commercial space. The commercial building is currently occupied by the Marshall Islands Bank in one wing and the Post Office in another one. Second floor above the Marshall Islands Bank is occupied by management and IT units of the Bank as well as rented out for private entities.
- The building was built in 1980s. Map of Majuro with indication of NDMO and RRE Commercial building is in Exhibit xx and this building is located in the city centre.

Office Space:

- We were able to secure a room #209 which is located on second floor above the Marshall Islands Bank and is roughly 30 ft*20 ft. The room is currently occupied by Nuclear Claim Tribunal (NCT). NCT intends to vacate the room and move to Islands Convention Centre (ICC) building by end of May 2019. If UNDP is agreeable to lease the room, RRE is willing to renovate the room which will take roughly 1,5-2 months. The cost of renovation will be borne by RRE.
- Current rent paid by NCT was set 20 odd years ago and set at USD 1/sq. ft. Landlord would increase the rent to USD 1.24/sq. ft. given the current real estate market. Rent would be estimated at USD 800-1,000 depending how the space calculation is estimated and whether common area of toilets etc. are accounted for.
- The room can only be accessed by NCT staff given confidentiality nature of documents stored in the office with even RRE staff not being able to enter the premises.
- UNDP scoping team visited office opposite room 209, which is occupied by Legal Firm (Exhibit xx). Their office is smaller by 1/3 but reasonably good. Legal firm manager was content with the room and has intention to expand in the same building should room become available.

Housing options for expats:

- RRE is building 2-story housing complex: ground floor six 2 bedroom apartments and twelve studios on first floor. Apartments will be fully furnished and equipped with AC. Rents are yet to be finalized. Tentative rent for studio is set at USD 700/month.

Proposed decision points:

- Given the scarcity of office space in Majuro, to proceed with rent room 209 at the Commercial Building run by Robert Reiner Inc. above Marshall Islands Bank. See attached photos (Exhibit xx). Should staff be required to visit NDMO, NTA etc. the cost of taxi is USD 1/pax/ride (until bridge). Should office be located in area in vicinity of Marshall Islands Weather Office (MIWO), it would cost USD 5/pax/ride to go to NDMO, NTA etc.
- Potential shortcomings:

- Given proximity to bank and postal office potential trespassing might take place. Hence advised to install passcode system (either figure print or ID cards).
- Security installations to meet MOSS compliance will need to be done once office is rented, i.e. removing glass section in door, burglar bars, alarm system etc.
- Shared bathroom. However, both Men and Ladies toilets are locked, and keys are provided to tenants.

Person met: Hirobo Obeketang, General Manager, Marshall Islands Resort (MIR)
(hirobo74@gmail.com, 625-2525/6872)

Meeting was solicited to seek possible rent of hotel room for office space. Unfortunately, General Manager noted to the scoping mission that the hotel doesn't have any room which is for long term lease for office purposes. There are several organizations (both NGOs and commercials) are already renting rooms but their lease agreements were concluded a while ago and the hotel decided not to extend its property for office use. The location is just opposite NDMO office and hence would have been perfect place for office.

The team had two follow-up meetings with the GM to which Mr. Hirobo verbally confirmed that he can release one hotel room on ground floor but starting from November 2019 only. The advantage of having the project team in this premises is primarily its proximity to government offices and Chief Secretary, Deputy Secretary and current NDMO offices. Hotel wouldn't be able to agree to additional MOSS compliance measures and have the office on higher levels. The rent would be USD 1,050/month, which will be higher than at RRE Inc. For both options (RRE Inc. and MIR), we yet to receive written confirmations.

23rd May 2019

Meeting with Chief of Procurement

Bruce Loeak – Chief Procurement and Supply division.

bloeak@gmail.com

The team provided an overview of the UNDP project and the logistical need for the construction in Majuro and Ebeye and asked the chief of procurement to brief the mission members on the current procurement process of government to understand their processes and the vendors expectations.

- The current threshold for government procurement are:
 - below USD 25,000 – minimum of 3 quote from reputable suppliers.
 - over USD 25,000 goes through the tender which is overseen by an oversight committee. The bidding committee consist of representative from government ministries and they have voting rights.
 - Emergency procurement are done following procurement process as practical as possible and does not follow tender process.

Key points from the discussion:

- Public advertising – 1-2 weeks' time while the full process may be done in 1- 2 months depending on the advert period.
- RFP is sent out and tenders are received in a sealed envelope which are dropped in the tender box.
- Facebook and social media account for advertising are very effective means to reach the wider community and international bidders/suppliers.

- The procurement units work with Ministry of work (PMU) for designing the RFQ and requirement.
- Most vendors have bank accounts in the country. Occasionally some of the vendors would require remittance to the international account to get the items from offshore.
- Prepayment to some of the vendors can range from 20% - 50%.
- Restriction on using US Compact funding: -cannot use blacklisted companies.
- Currently procurement office does not have LTAs with any vendors but will work on establishing such
- Audits are done by auditor general and Deloitte.
- Prequalification criteria are set to avoid default, this include local tax compliance and Audited financial statements
- Current construction companies that government have contracted with are: PEI, DAR, AC, BECA and PRIZM
- Vinay to write to Bruce Loek to get: Pre- qualification criteria for government and SOP or procurement guidelines

Meeting with Customs Office (Chief)

Person Met: Ruben Zackhras – Chief of Customs rjzackhras@gmail.com

- The operations mission provided an overview of the UNDP project in RMI and the logistical need for the importation of construction in Majuro and Ebeye.
- This meeting with the chief of customs department was to understand the local laws on customs procedures, timelines, shipping and clearing agents and all other requirement for importation of goods to RMI.
- Mr. Ruben mentioned that they have an import duty act which they adhere to when implementing any tax and duties. The rules are the same for both Majuro and Ebeye ports.
- There are few local companies which has concession on importation which includes: fuel supplies, goods and services church and local electrical company.
- He mentioned that they follow the tax exemption letters issued by MOFA for any exemptions issued to UNDP projects. They also get legal advice from AG Office in some of the cases.
- If there are any agreement with government such as SBAA this can be referred to when applying for exemption with MOFA.
- The current import tax for general item is 8% and other items like vehicle attract higher rate: for example: Used cars: 15% or \$ 1,500 whichever is higher and for new cars 15% or 2,500 whichever is higher.
- For most case the processing time for clearing goods is not long. There are no bonded warehouses. The processing can start 5 days before the ship arrives. The requires are: Manifest, Bill of Lading, vendor invoices, Packing List, Tax Exemption Certificate.
- There 3 major shipping companies: Matson (European), Pacific Shipping Lines and Central Pacific Shipping Company.
- Most goods are shipped from US while the construction items come from Australia, US, China and Philippines.
- There are private companies for consolidated items (Pacific International inc and stevedore).
- Quarantine requirement would need to be considered for items like timber which would need to be discussed with chief of quarantine.
- Vinay to write to Ruben to get: Customs act and schedule of tax rate.

- The operation mission team to shipping company process and invite the Quarantine official for meeting at NDMO.

Meeting with Japanese Embassy

Persons met : Hitomi Obata (Counsellor) and Sho Matsumura (Economic Adviser)

- The scoping team did a courtesy visit to the embassy of Japan and updated them on the mission and thanked them for the support. They were appreciative of the visit and are very delighted to be partnering with UNDP in implementing this project.
- The project manager and Sunny gave an update on the PRODOC to the counsellor.
- The Embassy was briefed on the design process and processes until now. Discussion also centered on the project governance structure and that key government officials, Japan Embassy Representative to be part of the Project Board and the Board is Chaired by UNDP.
- The Embassy was also informed of the intention to have the initial Project Board meeting after the Inception meeting of the project in RMI to which it agreed. Given the relative short project timeline, the frequency of the meetings will have to be discussed.
- Discussions on project visibility and that UNDP will ensure that all prerequisites within UNDP, BERA Office and MOFA Japan are met forthwith.
- Nasa also informed on some of the challenges such as recruiting the right candidate and other logistic issues.
- The counsellor assured the team that they are here to support if required by the project.
- Suggestion of have 1 or 2 board meeting with the first board meeting to be organized following the inception workshop.
- They also wanted that every important step such as ground breaking and handover have media release and coverage and all those items purchased should have clear visibility of their support (Japan logo/decal). They can also provide their stickers and material which the project could use.

24 May 2019

Meeting with Quarantine (Chief)

Person met: Henry Capelle, Chief of Division, Quarantine Division

- The Quarantine Division reports to the Minister of Natural Resources and Commerce. There are 8 staff on payroll of the Division: 6 in Majuro and 2 in Ebeye. Biodiversity Law of RMI has been developed in draft which is consistent with Fiji Biosecurity Law and presented to the Parliament. It is hoped that the Parliament will approve the Law by August 2019 which will replace the existing Plant Immigration Act.
- Most of constructions materials are imported to Marshall Islands. In most cases there are wood, sand, gravel, timber and there are strict quarantine requirements. Mostly danger is to protect local fauna from Asian Long-horned Beetle which is detrimental for coconut tree, copra. Prior to the dispatch of goods, a contractor must submit a certificate of dispatch countries quarantine services confirming that necessary quarantine requirements are met, i.e. fumigation, heat-treatment, washed etc.
- Cement and construction blocks are not subject to quarantine requirements. Steel structures, which are second-hand or have been kept in open for long time, should also be treated prior to the dispatch. Quarantine Division also conducts physical visits to

plants to do import risk analysis like they have done in Taiwan for True Value plant. Most timber comes from US. Do It Best Inc. company has most of stock in RMI.

- Upon presentation of quarantine certification, the Quarantine Division will take one week to review and clear

Points for consideration during the project implementation:

- In order to expedite the strict quarantine clearance process, it is essential for UNDP contractor to be in full compliance with RMI quarantine requirements, conduct necessary treatments for construction materials and submit all required documents prior to the dispatch of good.
- Technical Coordinator and Procurement/Logistics Officer are required to follow up with the contractor on the submission of documents prior to the shipment and later on with the Quarantine Division to clear the shipment (set seven days timeline).

Meeting with DAR Shipping

Person met with: Jeffery Riofrer and Damian Remers.

- They are the agents for Pacific Shipping Inc.
- The ship comes every 2 weeks to Majuro Port, cannot delivery items to Ebeye (need engage local shipping).
- The charges are calculated on the weight and size which are calculated upon receiving commercial invoices and bill of lading and manifests.
- All the fees and charges (customs, quarantine and port) are to be done at different government agents.
- Prepayment need to be done to engage them.

Meeting with Central Pacific Maritime – RRE shipping

Person met with: Romeo Reimers and Madonna Lacuesta.

- The ship comes every 2 weeks to both Majuro and Ebeye Port.
- Their shipping charges are calculated on the weight and size which are known upon receiving commercial invoices and bil of lading and manifestos.
- The wharf terminal (bonding are free for 10days) and container must be returned with 15days.
- There would be other changes to take the container/items to the site.
- They have also worked previously with venders who have exception letters from MoFA on customs/duty free entry.
- They will be able to give credit terms and all fees and charges would be consolidated and invoice to the consignee.

Debriefing meeting with Chief Secretary

- The Project Manager, RTA and OA updated the Chief secretary on the progress on the mission.
- Agreed on the challenges in terms of logistics, recruitment and banking issues.
- Agreed on project governance and setting up of board.

Chief Secretary briefed the team on his trip to Ebeye.

- The concerns that has been that the funding of \$1.7 mil would not be sufficient. The Mayor's Office and Minister are comparing the funding for Ebeye (\$1,7 mil) against Majuro (\$3,5 mil). Requested from the local administration to supplement the funds from CADA.
- He also talked about the type of structure of the building: consideration in construction is to have space at the bottom floor to be car park which is also good in case of flooding or strong winds.
- State budget (\$ 8-9K/each) is also allocated to government entities to rent alternative locations during constructions.
- Also committed to give funding of \$.5million from the funding from CADA and Compact funds. Might allocate more. This was very much appreciated by the UNDP team, which will provide sample government co-financing agreement.
- It was agreed that Chief Secretary will share some quotes which could be used for press release. The team will also ask Japan Embassy to provide their quotes for the press release.