



OFFICE OF INSULAR AFFAIRS

**U.S. Department
of the Interior**

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Office of the Assistant Secretary for Insular Areas

**U.S. Provides \$76.3 Million in Compact Grant Assistance Payments
to the Federated States of Micronesia for 2016**

WASHINGTON, D.C. (October 23, 2015) –The U.S. Department of the Interior’s Office of Insular Affairs this month notified the Government of the Federated States of Micronesia (FSM) of U.S. Compact grant payments totaling \$76.3 million for fiscal year 2016. The funding as obligated and broken down by sector, approved infrastructure project, and carry-over amounts follows:

Annual Sector Grants

Education	\$24,213,497
Health	\$20,492,187
Capacity Building	\$ 2,108,425
Environment	\$ 1,440,408
Private Sector Development	\$ 1,208,725
Reporting and Accountability	\$ 1,372,173
FSM Single Audit	\$ 500,000
Disaster Assistance Emergency Fund	\$ 235,740
Annual Sector Grants Total	\$51,571,155

Infrastructure Grants

Sekere Water Segment 2	\$ 6,400,000
Chuuk Dispensaries	\$ 1,600,000
Kinakapw to Lehn Diadi Water	\$ 8,000,000
Infrastructure Grants Total	\$16,000,000

Carry-Over Grants

Education	\$ 2,517,390
Health	\$ 1,561,307
Capacity Building	\$ 525,800
Environment	\$ 200,000
Private Sector Development	\$ 1,900,000
Public Sector Infrastructure	\$ 2,031,843
Carry-Over Grants Total	\$ 8,736,340

Compact grants provided by the United States to the Federated States of Micronesia are pre-determined through the bilateral Joint Economic Management Committee (JEMCO) meetings between the United States Government and the Federated States of Micronesia national government as established under the Compact of Free Association.

The Compact provides approximately 90% of the FSM's annual budget for health, education, and infrastructure development and maintenance. The close relationship between the U.S. Government and the Federated States of Micronesia is enshrined in the Compact of Free Association, under which the United States also provides guaranteed financial assistance over a 20-year period in exchange for full international defense authority and responsibilities. Annual Compact grants expire in 2023.

The Assistant Secretary for Insular Areas carries out the administrative responsibilities of the Secretary of the Interior in coordinating federal policy for the territories of American Samoa, Guam, the U.S. Virgin Islands and the Commonwealth of the Northern Mariana Islands, and administering and overseeing U.S. federal assistance to the Freely Associated States of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau under the Compacts of Free Association. The Assistant Secretary executes these responsibilities through the Office of Insular Affairs.

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