HIGHLIGHTS OF OIA FINANCIAL ASSISTANCE AWARDS TO THE NORTHERN MARIANA ISLANDS IN FY 2010 Prepared for the Senior Plenary Session of the Interagency Group on Insular Areas March 1, 2011

The Office of Insular Affairs (OIA) has provided a substantial amount of financial assistance in the past year to assist the CNMI in a variety of areas ranging from infrastructure improvements to tourism enhancement.

HIGHLIGHTS:

- A total of \$17.3 million in Capital Improvement Project (CIP) funding was awarded to the CNMI last year including:
 - \$4.8 million to the CNMI Water Task Force to continue water system improvements intended to increase the percentage of Saipan's residents that receive 24 hour water. Since the WTF's inception in 2004, the availability of 24 hour water to Saipan's residents has increased from 26% to 70%. The majority of the funding for these improvements has come from OIA (\$29 million prior to this award). This funding will increase the availability of 24 hour water to 77% of the island's population.
 - A \$4.05 million to allow the Commonwealth Utilities Corporation to address the requirements of the USEPA's Stipulated Order II regarding used oil.
- A \$350,000 Technical Assistance (TA) grant for the development of a Tourism Master Plan was awarded to improve the CNMI's competitiveness in global tourism markets. Tourism is the most promising source of economic growth for the struggling Commonwealth.
- Also related to economic development, OIA awarded a \$56,887 TA grant for the CNMI to develop Consumer Price Indexes for the islands of Rota and Tinian. This will allow the CNMI to more accurately track price fluctuations on the islands thereby more accurately gauging the cost of living.
- OIA also entered into a \$750,000 reimbursable support agreement with the Department of Energy National Renewable Energy Laboratory to conduct energy efficiency and renewable energy (EE/RE) assessments and assist in developing strategic plans for EE/RE implementation and deployment in American Samoa, the CNMI, and Guam.

- OIA, in partnership with NOAA, awarded \$533,500 (\$30,000 from OIA; \$503,500 from NOAA) for coral reef management projects in the CNMI. Projects include marine enforcement, watershed restoration, development of a bleaching response plan, education and outreach and student internships. During the recent meetings held in Saipan, Coral Reef Task Force members visited the Talakhaya watershed to see the on-the-ground results of this ongoing restoration project.
- A \$141,062.00 Maintenance Assistance grant was awarded to CNMI for the Zoning Board Capacity Startup Program which will allow the Zoning Office to implement changes in Saipan's Zoning Laws. Improving management of land use and development is critical to the CNMI's economy and the quality of life of its residents.

Faride Kraft Budget Division Office of Insular Affairs Department of the Interior 202 208-4736