

Compact Grant Assistance

COMPACT GRANTS

All financial grant assistance directly authorized and specified in the Compacts of Free Association with the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI) and the Republic of Palau. All Compact financial assistance is guaranteed in the Compacts and is provided through either mandatory appropriations or permanent appropriations. The financial relationships are governed exclusively by the Compacts and related subsidiary agreements. Except as specified in those documents, U.S. laws and regulations do not apply. For more information, refer to the [Compacts and related agreements](#) on the OIA website or on the [Compact website](#).

FEDERATED STATES OF MICRONESIA AND REPUBLIC OF THE MARSHALL ISLANDS

The U.S. provides Compact funding to the RMI and FSM to assist in their efforts to promote the economic advancement, budgetary self-reliance, and economic self-sufficiency of their people, and in special recognition of the special relationship that exists between them and the United States. Current Compact assistance is provided on a sector grant basis until 2023. The sectors are: Education, Health, Private Sector Development, Capacity Building in the Public Sector, Environment and Public Infrastructure.

REPUBLIC OF PALAU

The Republic of Palau has a separate Compact agreement with the United States. Compact funding is provided to the Government of Palau to assist in its efforts to advance the well-being of the people of Palau and in recognition of the special relationship that exists between the United States and Palau. While grant assistance provisions of the U.S.-Palau Compact expired on September 30, 2009, the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2010 (P.L. 111-88 Sec. 122) and subsequent discretionary appropriations have continued to extend economic assistance to Palau.