

Her Excellency Hilda C. Heine, Ed. D
State of the Nation Address (English Version)
Part I, 39th Nitijelā Regular Session
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Nitijelā Chambers
Majuro, Marshall Islands

[Check against Delivery]

- Thank you, Mr. Speaker. I join Reverend Enos in his opening prayer of gratitude as we gather to witness this opening of the 39th Nitijelā Regular Session this New Year, 2018.
- I take this opportunity to recognize the Chairman of the Council of Irooj, Iroojlaplap Kotak Loeak, and members of the council, their spouses, and all traditional leaders throughout and outside of the Republic.
- Speaker and Mrs. Kedi, Vice Speaker and Mrs. Anton, Honorable Ministers, Senators and your wonderful spouses.
- Chief Justice and Mrs. Ingram and members of the RMI Judiciary.
- Members of the Diplomatic Corps. Japanese Ambassador and Mrs. Mitsuoka, US Ambassador Stewart, ROC Ambassador and Mrs. Tang, Colonel James DeOre and our friends visiting from United States Army Garrison Kwajalein Atoll.
- I want to recognize Lieutenant Commander Mathew O’Loughlin of the Australian Royal Navy, Honorary Consuls Charles Domnick and Jerry Kramer. Thank you for attending this opening ceremony.
- I also take this opportunity to extend our gratitude to our many development partners for your continuing assistance to the people of the Marshall Islands. Thank you very much indeed.
- Distinguished Mayors from throughout our Republic and local government council members.
- Chief Secretary Benjamin Graham, ministerial secretaries, directors, managers of state owned enterprises and other government agencies.
- Chairman Donald F. Capelle and PSC Commissioners.
- Members of the private sector, churches, NGOs, women and youth groups, civil society, people of the Marshall Islands, ladies and gentlemen:

Mr. Speaker,

We must remain grateful to God for His many blessings upon each one of us and upon the Marshall Islands. As we begin the New Year, we should be mindful of His many blessings and for the peace we enjoy as a nation.

I take this opportunity to thank the traditional leaders, church leaders and the Deacon Board, the mayor and council members, the elders and youths, and all those who are the backbone of the church in Aur, for their warmth and the exceptional welcome extended to me and Tommy and members of our Jepta during our visit over the Christmas holidays. I should also like to say thank you to our Jepta leaders for helping us bring the joys of Christmas to our community on Aur. Thank you indeed.

Aur, for those who do not already know, is a very small place, compared with other outer island communities in the Marshall Islands. But their giving and gifting spirit at Christmas rivals those of the larger outer island communities.

Despite the fact that the community at Aur was still experiencing the effects of the droughts of the last two years, the people's Christmas spirits were high, and everyone reveled in the celebrations without holding back.

I believe part of the reason our community on Aur was in an increased festive atmosphere was because of the recent pre-Christmas hike in copra price. The increased copra price had a direct positive impact on all our outer island communities' whose primary source of income was copra. This allowed our friends and families in the outer islands to buy what they needed for Christmas. For that, I thank the Tobolar Board and Cabinet for approving the copra price increase.

Because of the positive reactions from the recent copra price increase, and to improve opportunities in our outer island communities, my government will be looking to see if the new copra price level could be maintained sustainably into the future.

Mr. Speaker,

I am grateful for everyone's contributions to move our national agenda forward— the members of parliament, the public service, local government councils, the business community, and every single citizen who contributed to making life better for our all who call the Marshall Islands home.

- First, the Trust Fund for the people of the Marshall Islands increased over the last year by \$70 million dollars, bringing the Trust Fund total as of October 2017 to \$376 million dollars.
- Second, the minimum wage for all workers was increased over the last year by another .50 cents. The minimum wage now stands at \$2.50 cents an hour.
- And finally, as mentioned earlier, the price of copra was increased to \$.50 cents a pound before the Christmas holidays. This is an all-time high in the history of Tobolar, our copra processing plant.

Other accomplishments during the last year included the convening of the fourth Constitutional Convention, which was a part of the government's Agenda 2020. I am pleased that I was able to participate in the official closing of the fourth Constitutional Convention, which took place on December 22, 2017.

I wish to reiterate my gratitude to the traditional leaders, the owner and delegates, and all the staff who worked tirelessly to make the ConCon a success. Thank you very much for your service to your country.

Under the able leadership of ConCon president, Senator Kessai Note and other ConCon officers, the convention was able to approve eight proposed amendments to the constitution, which will later be voted on by all qualified registered voters through a national referendum. The proposed constitutional amendments include the creation of the office of the ombudsman, the inclusion of Enenkio as part of the voting district in which it was traditionally aligned, and changing certain provisions of the constitution on citizenship and naturalization.

Over the last year, the RMI government was actively engaged in the global negotiations on climate change, including COP 23, the One Planet Summit, and the many preparatory meetings leading up to COP 23.

At COP 23, the RMI delegation worked hard to make sure issues affecting small island nations like ours, which are enshrined in the Paris Agreement, were not diluted or discarded in the on-going climate negotiations.

I am pleased to report that our delegations to these climate talks, which included our youths, were instrumental in keeping the pressure on the big emitters not to turn a blind eye to the plight of small islands nations resulting from the effects of climate change. As part of our international climate campaign, the RMI and France co-sponsored the Tony de Brum declaration to limit carbon emission in the sea transport sector. The declaration “states shipping must set a level of ambition for the sector that is compatible with that of the Paris Agreement, including a peak on emissions in the short-term and then reducing them to neutrality towards the second half of this century.”

Our delegation was also successful in educating other climate participants on progressive steps taken at the national, regional, and international levels, including RMI’s NDCs, or nationally determined contributions, to keep global warming to 1.5 degrees Celsius.

I believe when we work hard to push for these ambitious climate targets, we honor the memory of our climate champions, the late Minister Mattlan Zackhras, and the late Ambassador Tony de Brum, who worked tirelessly to ensure our islands’ survival in the face of global warming and climate change.

Mr. Speaker,

At the end of last year, the government received a report by UNICEF, which showed that 35 percent of all Marshallese children were malnourished. The high prevalence of malnourishment has resulted in “stunted growth” among many of our young children. This means that these children are much shorter in stature than where they should be in their age bracket. The study also disclosed that malnourishment could lead to development challenges in these children.

After receiving the report, the Cabinet immediately contacted the World Bank to seek funding assistance to address the problem. I am pleased to report that funds have been identified through the kind assistance of the World Bank, and the government is now working with the Bank and

UNICEF to develop an appropriate response to tackle the high prevalence of malnourishment of our children.

An extensive public health campaign is being developed to address the malnourishment problem including a nationwide malnourishment education program, a revamped breastfeeding program, an examination of existing maternity leave policies, and a comprehensive review and subsequent amendment to, or introduction of, laws and regulations that could lead to a strengthened national platform to combat children's malnourishment.

As a first step, the Cabinet will expedite the nationwide school hot-lunch program, which was budgeted in this year's appropriations bill.

Mr. Speaker,

It is my honor to report to the Nitijela that the National Nuclear Commission was recently established and that all three commission members have been appointed. The commission will assist government devise appropriate plans and responses in our national quest to seek nuclear justice for loss and damage resulting from the nuclear testing program that was conducted between 1946 and 1958.

The nuclear legacy resulting from the nuclear testing program is now part of our national discourse. Indeed, the nuclear legacy is a part of all our lives. Because of this, it is incumbent on your government to garner support of senators to approve the passage of the Resolution on the Treaty on the Prohibition of Nuclear Weapons (TPNW) at the current sitting of the Nitijela. Our support of the TPNW, which has been approved by a majority of the UN membership, should not be construed as finger-pointing at any one state or nation, rather as a show of support and solidarity for the many Marshallese who continue to suffer the adverse impacts of the nuclear weapons testing program, who to this day remain nuclear nomads within and outside of the Marshall Islands.

Mr. Speaker,

Two years ago this month, when this administration first came into office, I said in my inaugural address to this chamber and to the Marshallese people that high on our action agenda was to improve the standard of living for all our people. To do this, government-provided services had to be improved as well because improved service translates to good governance, and good governance leads to a healthy and vibrant economy.

A 2016 World Bank Group report on Good Governance showed disappointing results for the Marshall Islands. In the report, six indicators were used to gauge our overall performance in the area of good governance. Below are the results for the Marshall Islands:

1. Voice and Accountability – 90%
2. Political Stability and Absence of Violence – 80%
2. Control of Corruption – 56%
3. Rule of Law – 51%

4. Regulatory Quality -14%

5. Government Effectiveness – 5%

Clearly, our government is failing miserably in the last category and my administration is committed to work hard to improve government effectiveness.

I understand that there are other reports and statistics that could be used to measure the accuracy of the referenced report, and to help government develop the most appropriate response to improve its score in the performance categories I spoke to earlier. The bottom line for me is that service to our people has not improved because government is not effective.

Mr. Speaker,

2018 will be the last full year for my administration to work on its national agenda since 2019 is an election year. For the next two years, in addition to implementing its Agenda 2020, my administration will also prioritize improving government effectiveness in order to promote good governance and overall public sector productivity.

The dismal performance rating of 5 percent under government effectiveness means that RMI's ratings was only better than 5 percent of the countries rated. This translates into a huge bulk of our public sector effort not being achieved. This could also mean that a lot of resource is being used for very little gain. This cannot continue!

As a consequence, the Cabinet will work closely with the Office of the Chief Secretary, the Public Service Commission, and ministry and agency heads to come up with a national plan towards promoting a more effective government sector. At the same time, a public sector personnel review must take place to identify employee weakness and offer advice, counseling or training where required. At the end, appropriate action must be taken with regard to inadequate or sub-standard employee performance, be it through transference, demotion, or termination.

We have spent years protecting non-performers in our public sector to the detriment of all of us. In a nutshell, the practice of harboring non-performers is an abuse of the public trust because government belongs to the people.

Mr. Speaker,

Despite these challenges, I am pleased that steps are being taken to address the problem of poor public service performance. This year, heads of government ministries and agencies will be put on performance contracts. This would make it easier for government to assess the performance of its senior public servants and take corrective action where necessary.

In addition, a government employee forum, under the leadership of the Office of the Chief Secretary and Public Service Commission, is scheduled to take place later this month. The thrust of the forum will be two-fold. First, it will provide an opportunity for dialogue among public service employees to identify areas of concern, to share best practices, and discuss a pathway towards improved government service. Second, the forum will provide an opportunity to recognize those employees that have had a long career in the public service, as well as those who have

distinguished themselves. This would be the first time that such a forum has been organized and I am looking forward to it.

It goes without saying that subsequent training and skills upgrade, particularly for managers and supervisors of the public service, must be fast-tracked. This is critical because these are the people at the frontlines of our public service system.

Mr. Speaker,

I am keenly aware that any discussion on demotion, transference or termination of an employee is never easy in any setting. I am also keenly aware that this is even more difficult given our Marshallese culture and customs. But I know that deep in our hearts, we all know that if we do not take corrective action to combat this malady of government ineffectiveness, we would be failing in our duty as elected leaders.

Starting this year, the RMI will receive from the World Bank, the ADB, the EU and other partners, development projects and funding assistance in excess of \$60 million dollars. If our public service is not ready, these development projects and funding assistance cannot be implemented successfully. It is time that we all roll-up our sleeves and get to work because no one is going to do it for us.

Finally, Mr. Speaker, I wish to advise you that the government's legislative agenda will be presented to this chamber in the coming days. The legislative agenda will include issues covering enhanced assistance and coverage for people struggling with NCDs, malnourishment, a national assistance program for our elderly, and an upgraded tax system. I wish to thank you in advance for your support, and those of our colleague senators in the Nitijela.

I pray that the New Year will bring us and our families' joy, happiness, and peace. I wish each one of you much success in the New Year, and ask God's protection and blessings on the Marshall Islands.

Thank you, Mr. Speaker.