

Welcome

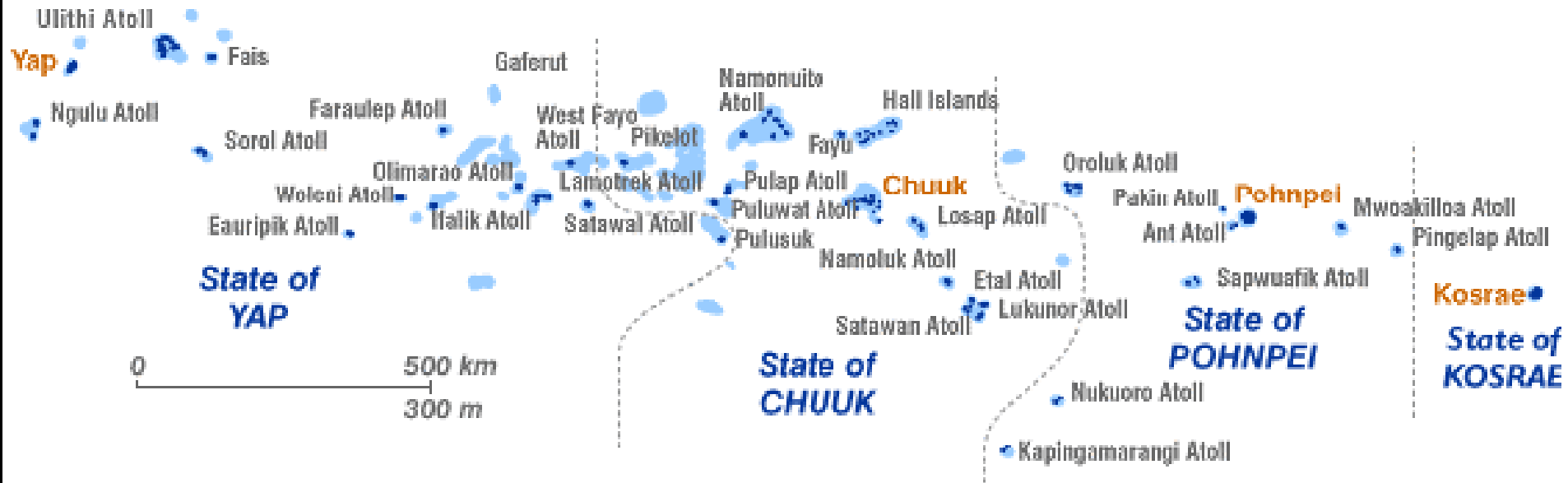


Federated States of Micronesia





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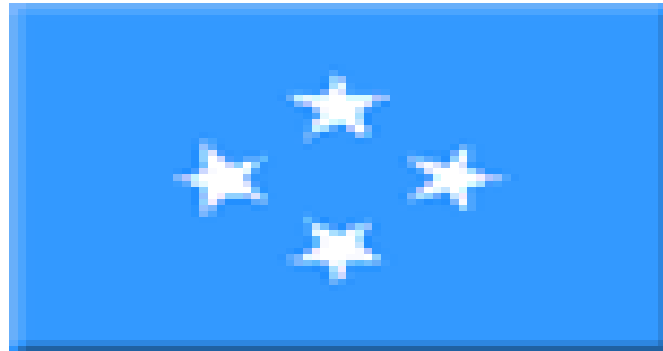
- **607 islands**
- **Population of 110,000**
- **270.8 square miles land**
- **EEZ over one million sq. miles**
- **GDP \$212 million**
- **Employment 13,230**
- **Imports \$117,500 million**
- **Merchandise exports \$14,002 million**
- **Currency U.S. Dollar**
- **GDP per capita \$1,951**



Chuuk State



Kosrae State



F.S.M



Pohnpei State



Yap State

Long Term treaty with the U.S.

Security and Defense provided by the U.S.

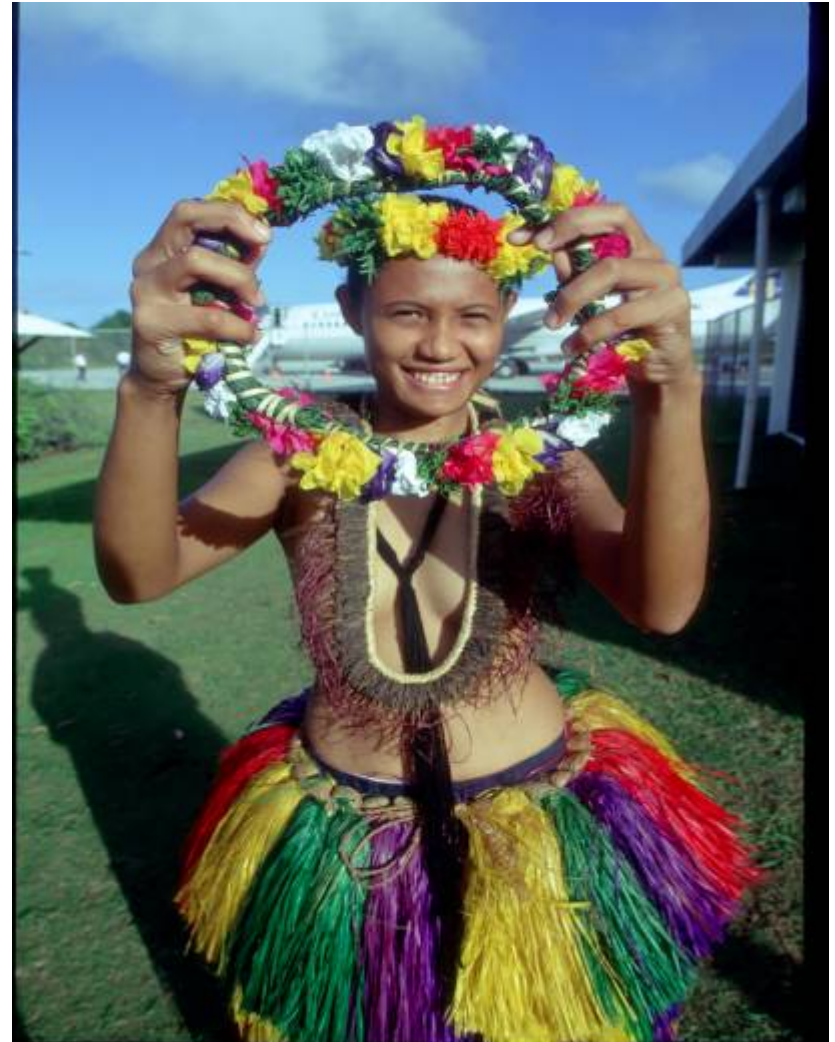


FSM citizens are allowed to serve in the US Military



Institutional framework

- Political stability
- Liberal National & States investment laws
- Bankruptcy, secured transaction & mortgage laws
- Very low import, wages and salary, gross revenue taxes
- No tax on exports
- Land lease of up to 99 years



Institutional framework



- Trade & Financial Regime
- Duty free access in:
 - the U.S (Compact),
 - European Union (Cotonou)+ negotiating the Economic Partnership Agreement (EPA)
 - Australia and New Zealand (SPATECA)+PACER
- Signatory to PICTA- market of about 7 million people.
- FSM Development Bank + 2 banks FDIC insured
- Access to China Exim Bank loans,
- Access to Okinawa Partnership Funding
- Access to EU financial instruments e.g. the European Investment Bank (EIB) and the EU Centre for Development of Enterprises (CDE), Pro-invest
- Compact grants and other donors

Existing infrastructure





Opportunities to upgrade infrastructure

- Extension of the runway,
- Upgrading roads,
- Inter-State transport,
- Another Airline,
- Waste disposal facilities,
- Port Authority Management
- Improve power generation capacity (renewable energy),
- Improving telecommunications services,
- Upgrading training institutions to international standards

Other Investment Opportunities

- AGRICULTURE
- FISHERIES
- AQUACULTURE
- MANUFACTURING
- TOURISM



Agriculture

Tropical environment year round with an average of 170 inches of rain per annum



Agricultural opportunities

- Bananas over 22 varieties, 13 are rich in Vitamin A
- Copra
- Virgin Coconut oil (nutritious)
- Bio-fuel
- Noni (health benefits)
- Pepper
- Agro-processing

Fisheries

**Tuna resources-over
100,000 tons a year (worth
about US\$200 million)**

**EEZ- OVER 1 MILLION
SQUARE MILES**





Opportunities in fisheries

- Establish canneries
- largest tuna resources in the Micronesian region,
- over 100,000 tons a year, (market value of about US\$200
- Duty free into the US and European Market
- Negotiating EPAs with the EU to improve access of tuna to the EU market

Aquaculture

- Has extensive coral reefs and lagoons,
- Giant clams, aquarium clams, corals, black pearls, sponges groupers, rabbit fish,



Manufacturing

Light manufacturing and assembly industries (e.g. clothing, beer, agro-processing –coconut, black pepper, etc.



Tourism

FSM has the most magnificent dive destinations and unique culture

Opportunities in: eco-tourism, cultural exchange tourism, adventurous tourism



Conserving our natural resources





Investment opportunities in tourism

- Environment friendly investments in tourism
- High-end tourism development
- High class resorts
- Air transportation



*Thank you
Kamagar
Kinisou
Kalangan
Kulo*

