

NAT-I-2604

MEMORANDUM OF AGREEMENT

BETWEEN THE

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

AND THE

FEDERATED STATES OF MICRONESIA
DEPARTMENT OF EXTERNAL AFFAIRS -
CIVIL AVIATION DIRECTORATE

WHEREAS, the Government of the United States of America, represented by the Federal Aviation Administration of the Department of Transportation, subsequently referred to as the FAA, is authorized to furnish on a reimbursable basis to foreign governments certain services to encourage and foster the development of civil aeronautics and air commerce; and

WHEREAS, the Government of the Federated States of Micronesia represented by the Department of External Affairs, subsequently referred to as the Department, has requested that such services be provided;

WHEREAS, the FAA is authorized to furnish, upon determination by the International Development Cooperation Agency, certain parts peculiar and repair services to the Department;

NOW THEREFORE, the FAA and the Department, subsequently referred to as "the parties", mutually agree as follows:

ARTICLE I - OBJECTIVE OF THE AGREEMENT

A. The objective of this Memorandum of Agreement, subsequently referred to as Agreement, is to establish the terms and conditions under which the FAA is to provide certain services to the Department in developing and modernizing the Federated States of Micronesia's civil aviation infrastructure in the managerial, operational, and technical areas. For this purpose, the FAA will, subject to their availability and the availability of appropriated funds, provide personnel, resources and related services to assist the Department in the accomplishment of this objective.

B. It is understood and agreed that the FAA's ability to furnish the full scope of technical assistance provided by this Agreement depends on the Federated States of Micronesia's use of the systems and equipment that are similar to those used by the FAA in the U.S. National Airspace System. To the extent that other systems and equipment are used in the Federated States of Micronesia, FAA's ability to support other systems and equipment under this Agreement would be necessarily lessened commensurately.

ARTICLE II - ANNEXES

Specific technical assistance in areas of personnel, training, equipment or services to be provided to the Federated States of Micronesia by the FAA shall be delineated in annexes to this Agreement. When signed by both parties, such annexes

shall become part of this Agreement. The parties agree that such annexes will contain a description of the services to be performed by the FAA, the personnel and other resources required to accomplish tasks, estimated costs, planned implementation, and duration.

ARTICLE III - DESCRIPTION OF SERVICES

A. Under the terms and conditions of this Agreement and its annexes, the Department may request technical assistance in areas including, but not necessarily limited to:

1. Providing technical and managerial expertise to assist the Department to develop, operate, and enhance its civil aviation infrastructure, standards, procedures, policies, training, and equipment;

2. Providing training in the United States or the Federated States of Micronesia to Federated States of Micronesia personnel;

3. Inspecting and calibrating Department equipment and air navigation facilities;

4. Providing resources, logistical support, and equipment for navigational facilities; and

5. Stationing FAA personnel in the Federated States of Micronesia to provide continuing advice and guidance to the Department at the request of the Government of the Federated States of Micronesia.

B. Assistance in these and other areas, as mutually

agreed to, will be accomplished by appropriate short-term and long-term in-country assignments, or other assistance offered by the FAA.

ARTICLE IV - STATUS OF FAA PERSONNEL

A. The FAA will assign personnel to perform the tasks agreed upon in the appropriate annex. FAA personnel assigned to any activity will retain their status as U.S. Government, FAA employees. Their supervision and administration will be in accordance with the policies and procedures of the FAA as an agency of the U.S. Government, and they will perform at the *high* level of conduct and technical execution required by the FAA.

B. FAA personnel shall be accorded the same privileges and immunities as are accorded to the administrative and technical personnel of the U.S. Embassy under the Vienna Convention on Diplomatic Relations of 1961. Such FAA personnel shall not, however, be considered members of the Embassy staff by virtue of their enjoyment of such privileges and immunities.

ARTICLE V - GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA SUPPORT

A. Support required of the Government of the Federated States of Micronesia's will be set forth in each annex.

B. If for any reason the Government of the Federated States of Micronesia is unable to provide fully the support specified in each annex, or, if the support provided is not equivalent to that prescribed in pertinent FAA or other U.S.

regulations, the FAA will provide such support and will charge the costs for such support to the Department.

ARTICLE VI - FINANCIAL PROVISIONS

A. The Government of the Federated States of Micronesia shall reimburse the FAA, in accordance with provisions set forth in this Agreement and its annexes, the amount of costs incurred by FAA, including all costs arising from expiration or termination of the Agreement or its annexes.

B. Each annex will set forth the specific and detailed financial arrangements concerning the activities described in that annex. However, all financial arrangements are subject to the following:

1. Payment of bills is due within sixty (60) days from date of billing. Payments are to be made in U.S. dollars and forwarded to the FAA at the address on the bill.

2. In the event that payment is not made within sixty (60) days from the date of billing, U.S. Treasury Department regulations prescribe and require the FAA to assess late payment charges, i.e., interest, penalty, and administrative handling charges, in subsequent billings. These late charges will be assessed for each additional thirty (30) day period, or portion thereof, that payment is not received.

C. Agreement Number NAT-I-2604 has been assigned by FAA to identify this project and should be referred to in all related correspondence.

ARTICLE VII - AMENDMENTS

This Agreement or its annexes may be amended by mutual consent of the parties to provide for expansion of requirements and continuation of the programs. Any changes in the services furnished or other provisions shall be formalized by an appropriate written amendment, signed by both parties, which shall outline the nature of the change.

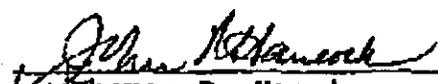
ARTICLE VIII - EFFECTIVE DATE AND TERMINATION

This Agreement shall become effective upon signature of both parties and will remain in effect until terminated. This Agreement or any of its annexes may be terminated at any time by either party by providing sixty (60) days notice in writing to the other party. Any such termination will allow FAA one hundred and twenty (120) days to close out its activities.

ARTICLE IX - AUTHORITY

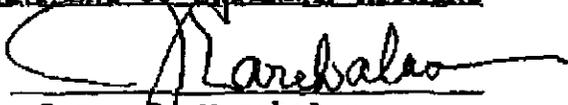
The FAA and the Department agree to the provisions of this Agreement as indicated by the signature of their duly authorized representatives.

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

BY: 
Thomas P. Messier
Director of
TITLE: International Aviation

DATE: 30 October 1989

FEDERATED STATES OF MICRONESIA
DEPARTMENT OF EXTERNAL AFFAIRS

BY: 
Jesse B. Marehalau
FSM Ambassador to the
TITLE: United States

DATE: 10 January 1990