

# **Integrated Country Strategy**

# **Federated States of Micronesia**

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#### 1. Chief of Mission Priorities

The Compact of Free Association (COFA or Compact) is the key bilateral issue between the United States (U.S.) and the Federated States of Micronesia (FSM). The current renegotiation of the expiring provisions of the Compact demonstrate the U.S.'s continuing commitment to stability and prosperity in the FSM and, by extension, in the Indo-Pacific region. The U.S. will continue to work with the FSM to develop its own capacity and create a more sustainable economy less dependent on outside inputs, and give it the ability to sustain its advancement without relying on less benign players seeking influence in the region. Developing and implementing a strategy to improve the FSM's own capacity to secure a brighter future for its people is our Embassy's highest priority.

The COVID-19 pandemic has brought immense change to the world, and the FSM is no exception. The FSM closed its borders from March, 2020 until May, 2021, and until now only allows for a limited number of repatriation flights with strict pre- and post-quarantine requirements. The U.S. Centers for Disease Control and Prevention (CDC) and other public health partners have worked closely with the FSM on its pandemic response, with the FSM being one of the first countries in the world to receive COVID-19 vaccine shipments from the U.S. We will continue to work with the FSM on finding solutions to logistical challenges brought on by the pandemic, making sure that public health measures keep the people of the FSM safe, while keeping the country on a path of development that will help it face the challenges of the future.

As U.S. Embassy Kolonia works with the host government and private sector to implement the provisions of the COFA, the operations of our small, but rapidly growing embassy will need to become more efficient with an enhanced physical profile and greater capacity among our Locally Employed (LE) Staff. In addition, as a priority under the Indo-Pacific strategy, we need to continue working with our allies, multilaterals, NGOs, and the United Nations to see how each of them can contribute to the FSM's economic development, climate change resilience, and governance, while continuing to maintain our close security relations with the host

government. Increased collective engagement and a higher U.S. profile will prove vital to addressing significant changes in the region's economy and in the power balance so our interests, which coincide with the interests of the people of the FSM, are protected and advanced. This would avoid a more dire outcome where economic stagnation, climate change, and possible increased out-migration translate into greater financial and political vulnerability for the FSM.

In July 2021, the Department of Defense's Indo Pacific Command (INDOPACOM) reinforced the U.S.'s commitment to the FSM and the Micronesian Region through its announcement of their inclusion in the INDOPACOM "Pacific Homeland" plans for defense. The Pacific Homeland consists of Hawaii, the US Pacific Territories, and the three Compact of Free Association States. The significant defense responsibility for this vast region does come, however, with a need for additional support which, if properly invested in, could help avoid the dispersal of critical defense assets and secure this key, strategic region.

Sustainable economic development and climate change resilience – with the private sector a key contributor - will be critical for the FSM when facing global threats. Renewable energy will be key to supporting development in the neighboring outer islands, where they are separated from key energy infrastructure. Small scale industry providing for local needs and making exportable products also needs to be emphasized; some of that is already happening, but much more can and should be done. Greater control and regulation of the FSM's exclusive economic zone (EEZ) waters and fisheries will make maritime resources both more sustainable and more profitable to the citizenry in the long-term.

To accomplish these priorities and due to the increasing size of our post and planned expansion of Embassy facilities, several additional full-time positions will be needed:

A Regional Security Officer (RSO) to make sure our facilities are properly secured,
 improve coordination with local law enforcement, and achieve complete representation
 of critical Embassy sections as a full country team.

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- A General Services Officer (GSO), critical to ensuring our facilities are properly maintained and serviced.
- A Medical (MED) unit with a full-time position be established to provide basic, routine, and urgent medical aid. As a growing post, Embassy Kolonia has increasing medical needs, while local medical facilities generally lack the resources and personnel to provide adequate coverage. Having a staffed MED unit at post would reduce the need for medevacs of personnel for minor medical issues, reducing disruptions of Embassy operations.

With the FSM comprised of over 600 islands, and most of the population spread across multiple small island communities, direct community engagement is critical for achieving development goals. Re-establishing a Peace Corps program in the FSM would provide a talent base to support education and development projects and ensure there are people imbedded within the community that can work with USAID in implementing projects and are invested in their success.

The United States must focus strategic planning on developing favorable sustainable economic conditions and more effective governance for the FSM, which is within a vast region critical to our Indo-Pacific national security interests.

### 2. Mission Strategic Framework

**Mission Goal 1:** Support economic, political, and social stability in the FSM to mitigate the influence of malign and unfriendly foreign powers.

- Mission Objective 1.1: Help the FSM shift its strategic focus for development from FAT
   (Fisheries, Agriculture, and Tourism) to Security in Economic, Energy, Food, Health, and
   Infrastructure spheres to promote self-sustainability and resist global threats.
- Mission Objective 1.2: Better support underserved communities and create a healthy, educated, and resilient populace through promoting sustainable economic and social systems that conserve natural resources and contribute to regional stability and prosperity.
- Mission Objective 1.3: Promote FSM government practices that enhance market competition, equitable market access, and environmental sustainability to achieve improved economic performance.

**Mission Goal 2:** Facilitate U.S. Indo-Pacific Command (INDOPACOM) and U.S. Interagency efforts to meet COFA Title III security and defense responsibilities for the FSM, provide for the wider defense of the "U.S. Pacific Homeland", and increase the FSM's ability to maintain its internal stability and maritime security.

- Mission Objective 2.1: Ensure Provision of U.S. COFA Title III Defense Responsibilities to
  protect FSM sovereignty, territory, domestic population, and critical infrastructure
  against external threats and aggression.
- Mission Objective 2.2: Increase U.S. support to FSM law enforcement operations & capacity building to improve internal stability and order.
- Mission Objective 2.3: Increase FSM Maritime Security/Maritime Domain
   Awareness/Border Protection capabilities to improve economic and national security, as well as enhance maritime safety.

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 Mission Objective 2.4: Increase FSM All Hazards Response and Resiliency capabilities to improve the FSM's ability to prepare, protect, respond, and recover from domestic incidents.

**Mission Goal 3:** Support the FSM increasing its' resilience to global climate impacts through integrated natural resource management, reinforced disaster risk reduction, and implementation of adaptation measures.

- Mission Objective 3.1: Strengthen the capacity and resilience of the FSM to adapt to
  the effects of climate change through an increase in the use of renewable energy and
  climate resilient infrastructure.
- Mission Objective 3.2: Enhance the FSM's efforts to sustainably manage fisheries resources (particularly Tuna) and to reduce illegal, unreported, and unregulated (IUU) fishing.
- Mission Objective 3.3: Strengthen links between U.S. institutions, regional entities, nongovernmental organizations, and communities on climate-related issues to better utilize resources and promote efficient operations.

**Management Objective 1:** Align physical and human resources to appropriately support Mission's bilateral and regional goals

**Management Objective 2:** Build a resilient local workforce through effective compensation, professional development, and employee engagement.

# 3. Mission Goals and Objectives

**Mission Goal 1** | Support economic, political, and social stability in the FSM to mitigate the influence of malign and unfriendly foreign powers.

**Description |** Final negotiations of a new COFA are far from complete, creating uncertainty as to ongoing financial assistance to the FSM. In the meantime, other regional players have increased foreign assistance to the FSM and other Pacific Island Nations in the region and are vying for political influence. Developing and implementing a strategy to maintain the premier position of the United States and mitigate the influence of malign regional players are Embassy Kolonia's highest priority. Embassy Kolonia will work with Compact negotiators to assure there will be no "fiscal cliff" upon the expiration of the existing COFA agreement and with USAID, the Department of Interior, and other agencies to provide funding for infrastructure and social and economic programs that serve U.S. national security interests and ensure the FSM does not come under the influence of malign regional players.

**Objective 1.1** | Help the FSM shift its strategic focus for development from FAT (Fisheries, Agriculture, and Tourism) to Security in Economic, Energy, Food, Health, and Infrastructure to promote self-sustainability and resist global threats.

- Justification | Although tourism and fishing have been traditional economic sectors targeted for development, enhancement of those sectors alone are not sufficient to support the broad-based economic development the FSM needs. The FSM needs investment in its fragile health sector and development of other inadequate infrastructure to achieve its long-range goals. Resources from State, DOD, USAID and other international donors can be used to construct vital new infrastructure and provide the basic resources the FSM needs for economic development.
- Linkages | This objective links to the State/USAID Joint Strategic Plan Goal 2.2, the
   Trilateral Pacific Security Dialog, the Department of Energy's Global 2030 Island Network
   Initiative, the Department of Defense Indo-Pacific Strategy and the National Security

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- Council's Partners in the Pacific Initiative. Use of funding mechanisms such as the Pacific Region Infrastructure Facility will be critical in achieving these objectives.
- Risks | Failure to execute Objective 1.1 would create additional financial and economic
  pressures on the FSM and may cause the FSM to seek assistance from other regional
  sources less friendly to U.S. interests. U. S. Embassy Kolonia will mitigate this risk
  through continuous engagement on the Compact of Free Association and other sources
  of funding.

**Objective 1.2** | Better support underserved communities and create a healthy, educated, and resilient populace through promoting sustainable economic and social systems that conserve natural resources and contribute to regional stability and prosperity.

- Justification | Micronesia has significant poverty concerns with nearly 40 percent of its population living below the national poverty line, representing one of the highest rates of poverty in the Pacific. In the rural areas and the outer islands, people find it difficult to earn the cash needed to meet living expenses. On the main islands, families with low incomes and limited access to subsistence agriculture find it extremely hard to maintain a satisfactory standard of living. Malnutrition, caused by a lack of variety of available foods, results in hunger, especially in children, and impedes the opportunity for citizens to rise above poverty. On outer islands many people lack access to electricity and/or internet service, depriving them of basic necessities of modern life. Embassy Kolonia will support programming and infrastructure development that will enhance the economic resiliency of the FSM's most vulnerable populations.
- Linkages | This objective links to the State/USAID Joint Strategic Plan Goal 2.2, 3.1 and Executive Order 13985.
- Risks | Failure to execute Objective 1.2 would create additional economic and security
  vulnerabilities for the FSM populace since electricity and internet access are essential to
  the function of a modern economy. U. S. Embassy Kolonia will mitigate this risk through
  continuous programming targeted at vulnerable populations and engagement that
  seeks to reduce these vulnerabilities.

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**Objective 1.3** | Promote FSM government practices that enhance market competition, equitable market access, and environmental sustainability to achieve improved economic performance.

- Justification | Working with the FSM government to achieve improved economic
  performance through market competition, fair market access, and environmental
  sustainability initiatives will contribute to fundamental economic and political stability
  that will counterbalance the risk that malign regional competitors will increase
  investment activities in the FSM solely to secure increased state and national
  government influence and support.
- Linkages | This objective links to the State/USAID Joint Strategic Plan Goal 2.2, the
   Trilateral Pacific Security Dialog, the Department of Energy's Global 2030 Island Network
   Initiative, the Department of Defense Indo-Pacific Strategy, and the National Security
   Council's Partners in the Pacific Initiative. Use of funding mechanisms such as USAID
   and the Pacific Region Infrastructure Facility will be critical in achieving these objectives.
- Risks | Failure to execute Objective 1.3 would create additional financial and economic pressures on the FSM and may cause the FSM to seek assistance from other regional sources less friendly to U.S. interests. The potential adoption of standards and use of other service providers could prove to be inimical to both U.S. and FSM interests. U.S. Embassy Kolonia will mitigate this risk through continuous engagement on the Compact of Free Association and through regional partners

  Australia and Japan.

**Mission Goal 2** | Facilitate U.S. Indo-Pacific Command (INDOPACOM) and U.S. Interagency efforts to meet COFA Title III security and defense responsibilities for the FSM, provide for the wider defense of the "U.S. Pacific Homeland" and increase the FSM's ability to maintain its internal stability and maritime security.

**Description** | 2018-2021 witnessed Great Power Competition re-emerge globally and rapidly change the security environment in the Indo-Pacific. In response, INDOPACOM has been forced

to re-examine its force posture and ability to defeat emerging traditional military threats, as well as increase its international engagement to counter malign influence operations designed to undermine and replace key regional U.S. relationships.

In July 2021, INDOPACOM reinforced U.S. commitment to the FSM, and the Micronesia Region through its announcement of their inclusion in the INDOPACOM "Pacific Homeland" for defense plans. This Pacific Homeland consists of Hawaii, the U.S. Pacific Territories, and the three Compact of Free Association States. The significant defense responsibility for this vast region does come, however, with equally significant authorities for INDOPACOM to conduct within the lands, waters, and airspace of the region, all of the activities and operations deemed necessary for defense. These authorities represent unparalleled opportunities for meeting U.S. force posture requirements on the strategically important "Second Island Chain." If properly invested in, this region could help alleviate the "tyranny of distance" and dispersal of critical defense assets often cited as challenges to INDOPACOM planning for regional defense.

Mission Goal 2 seeks to support continued INDOPACOM and U.S. interagency efforts to secure this key region though a comprehensive security framework of U.S. provided external defense and capacity building programs for National Police, maritime security forces, and All Hazards response and resiliency agencies. Of critical importance, Mission Goal 2 now includes specific efforts to combat foreign malign influence and other evolving competitor "grey zone" operations. A key capability for capacity building in this area is the expansion of the new FSM National Security Office which will help manage the rapid expansion of U.S. military activity, as well as provide FSM leadership with timely intelligence analysis and insights, to better understand and support U.S. efforts to combat nuanced "grey zone" threats in this era of great power competition.

**Objective 2.1** | Ensure Provision of U.S. COFA Title III Defense Responsibilities to protect FSM sovereignty, territory, domestic population, and critical infrastructure against external threats and aggression.

• **Justification** | Objective 2.1 focuses on facilitation and advancement of INDOPACOM efforts that build U.S. military capabilities and posture to defend the FSM, as codified in

- COFA Title III: Security and Defense Relationships. In the context of Homeland Defense, these are protections against traditional external military threats to the FSM. Sub-objective 2.1.4 will address the non-traditional threats of foreign malign influence and other grey zone activities associated with Homeland Security efforts.
- Linkages | Objective 2.1 advances the overarching U.S. National Security Strategy (NSS), Interim National Security Strategy Guidance, National Defense Strategy (NDS, Defense Objectives), and National Military Strategy (NMS). It directly supports the February 2022 Indo-Pacific Strategy Objective 4 (Bolster Indo-Pacific Security), the State-USAID Joint Strategic Goal 1.4 (Increase capacity and strengthen resilience of our partners and allies to deter aggression, coercion, and malign influence), as well as the provision of U.S. defense responsibilities to FSM as identified in COFA Title III. In addition, this objective supports INDOPACOM's Pacific Homeland Defense Plan, as well as Theater Posture Plan objectives.
- Risks | Failure to execute Objective 2.1 and ensure that the required U.S. defense responsibilities under COFA Title III are met, would undermine the reliability of the Compact of Free Association. This would seriously degrade U.S. military credibility and posture in the region. U.S. Embassy Kolonia will mitigate this risk through planning and execution of regularly scheduled FSM-US Joint Committee Meetings (JCMs), continued integration of FSM into INDOPACOM Pacific Homeland Defense plans, and facilitation of the INDOPACOM Component Operations, Activities, and Investments outlined below.

**Objective 2.2** | Increase U.S. support to FSM Law Enforcement operations and capacity building to improve internal stability and order.

Justification | Country Team visits with FSM National and State Law Enforcement
 Officials in 2021, following two years of COVID isolation, revealed that immediate action
 is required to rebuild FSM's basic law enforcement capabilities to maintain internal
 stability and order. The FSM-U.S. Agreement on Extradition, Mutual Assistance in Law
 Enforcement Matters and Penal Sanctions Concluded Pursuant to Section 175 of The
 Amended Compact of Free Association, provides law enforcement assistance which can

extend to, but is not limited to, prevention and prosecution of violations of FSM and U.S. laws related to terrorism, espionage, racketeer influenced and corrupt organizations, and financial transactions which advance the interests of any person engaging in unlawful activities.

Mission Objective 2.2 will assist the newly established Compact State U.S. Legal Attaché Program to expand technical assistance and capacity building programs to FSM Law Enforcement Organizations.

- Linkages | Objective 2.2 directly supports the February 2022 Indo-Pacific Strategy Objective 4 (Bolster Indo-Pacific Security), State-USAID Joint Strategic Goal 1.3 (Counter instability, transnational crime, and violence), as well as the Agreement on Extradition, Mutual Assistance in Law Enforcement Matters and Penal Sanctions Concluded Pursuant to Section 175 of The Amended Compact of Free Association, Specifically Title V: Mutual Assistance in Law Enforcement Matters. Objective 2.2 also seeks to build FSM's ability to maintain its internal stability/Homeland Security, through all contingencies, which will support U.S. INDOPACOM Pacific Homeland Defense Plans and Theater Force Posture Plans. This advances the overarching U.S. National Security Strategy (NSS) and National Defense Strategy (NDS, Integration with Law Enforcement).
- Risks | Failure to execute Objective 2.2 will exacerbate existing shortfalls in FSM National Police capabilities to ensure FSM internal stability and security. In addition, it would undermine COFA Mutual Assistance Agreements, which would seriously degrade U.S. credibility in the region. U.S. Embassy Kolonia will help mitigate this risk thru planning and execution of regularly scheduled FSM-US Joint Committee Meetings (JCMs), and continued integration of Law Enforcement (Legal Attaché & International Narcotics and Law Enforcement) into JCMs and facilitation of FBI, INL, INDOPACOM, and Interagency Operations, Activities, and Investments as outlined below.

**Objective 2.3** | Increase FSM Maritime Security/Maritime Domain Awareness/Border Protection capabilities to improve economic and national security, as well as enhance maritime safety.

- Justification | The territorial seas and exclusive economic zone of the FSM comprises over one million square miles of mostly unmonitored ocean area. Illegal fishing and smuggling are ongoing and increasing concerns, as are unauthorized ocean research missions conducted by foreign nations. In addition, numerous search and rescue operations are conducted every year, due to the heavy small boat traffic between distant islands. The FSM National Police Maritime Wing is comprised of two Australian Provided Patrol Boats. Currently these vessels are the only organic FSM assets capable of long-range patrol between the FSM States.
  - U.S. Coast Guard Forces Micronesia is FSM's key partner on addressing these significant maritime issues through direct provision of Search and Rescue, Maritime Law Enforcement Assistance, and Port Safety and Marine Environmental Protection assistance. The USCG provides this operational and technical assistance to the FSM under section 224 of the FSM-U.S. Compact, to the same extent which it aids U.S. States, territories, or units of local U.S. government.
- Linkages | Objective 2.3 directly supports the February 2022 Indo-Pacific Strategy Objective 4 (Bolster Indo-Pacific Security), the Tri-Service (Navy, Coast Guard, and Marine Corps) Maritime Strategy, and the United States Coast Guard Pacific Area Strategic Intent, as well as State-USAID Joint Strategic Goal 1.3 (Counter instability, transnational crime, and violence). In relation to Maritime Homeland Defense, 2.3 advances the overarching U.S. National Security Strategy (NSS), Interim National Security Strategy Guidance, National Defense Strategy (NDS, Defense Objectives), and INDOPACOM Homeland Defense Plans.
- Risks | Failure to execute Objective 2.3 will exacerbate existing shortfalls in FSM Maritime Domain Awareness/Maritime Security/Border Protection capabilities. This will lead to negative impacts to both food and economic security, maritime safety, and open the door wider to illegal maritime activities. This in turn will negatively impact FSM internal stability and security. U.S. Embassy Kolonia will help mitigate this risk thru integration of US Coast Guard at regularly scheduled FSM-US Joint Committee Meetings (JCMs), and continued facilitation of US Coast Guard (District 14 and Coast Guard Forces)

Micronesia/Sector Guam) and US Navy Operations, Activities, and Investments as outlined below.

**Objective 2.4** | Increase FSM All Hazards Response and Resiliency capabilities to improve the FSM's ability to prepare, protect, respond, and recover from domestic incidents.

 Justification | Country Team visits to the FSM States in 2021, following two years of COVID-19 isolation, have revealed that immediate action is required to rebuild FSM's First Responder capabilities. All FSM states reported that fire, ambulance, and other key services are either severely limited or non-operational due to equipment and training shortfalls.

In November 2008, USAID assumed responsibility for disaster response and reconstruction in the FSM from the U.S. Department of Homeland Security Federal Emergency Management Agency (FEMA), reflecting the transition of the FSM from U.S.-administered trust territory to independent nation. Under the new arrangement, FEMA provides USAID with funding to conduct response and reconstruction activities following a U.S. Presidential Disaster Declaration (PDD), and USAID maintains FEMA's previous commitment to supplement host government efforts to provide humanitarian assistance in the event of a significant disaster. Task Force West was created to support INDOPACOM's Theater Joint Force Land Component Command (TJFLCC) to respond to Defense Support of Civil Authorities (DSCA) and Foreign Humanitarian Assistance (FHA) missions in the Pacific Homeland territories of Guam, CNMI, and the Compact States of Palau and FSM.

• Linkages | Objective 2.4 directly supports the February 2022 Indo-Pacific Strategy
Objective 5 (Build Regional Resilience to 21<sup>st</sup> Century Transnational Threats), and
advances the Interim National Security Strategy Guidance (National Security Priorities)
and the State-USAID Joint Strategic Goal 3.4 (Project American values and leadership by
preventing the spread of disease and providing humanitarian relief). In addition, it
supports the Federal Programs and Services Agreement Between the Government of
the United States and the Government of Micronesia Article X: United States Disaster

Preparedness and Response Services and Related Programs. Object 2.4 also supports INDOPACOM's Pacific Homeland Defense Plan, as well as Foreign Humanitarian Assistance Plans.

• Risks | Failure to execute Objective 2.4 will put the FSM at significant risk to natural and man-made disasters and ensuing instability. Due to prolonged Pandemic isolation, first Responder training of all types (Fire, Police, Emergency Medical) has lapsed, as well as regular disaster response exercises and updating of response plans. U.S. Embassy Kolonia will mitigate this risk thru the implementation/facilitation of the Task Force West, USAID, and Interagency Operations, Activities, and Investments as outlined below. In addition, All Hazards Response will continue to be included as a line of effort at the regularly scheduled FSM-US Joint Committee Meetings.

**Mission Goal 3** | Support the FSM increasing its' resilience to global climate impacts through integrated natural resource management, reinforced disaster risk reduction, and implementation of adaptation measures.

**Description** | Climate change has been identified as one of the greatest threats to FSM society and economy. According to the Notre Dame Global Adaptation Initiative, FSM is the 12<sup>th</sup> most vulnerable country to climate change and poorly prepared to cope with the effects climate change. The effects of climate change cut across all parts of the economy, threatening food production and fisheries, destroying infrastructure, and increasing the size and destructive power of natural disasters.

**Objective 3.1** | Strengthen the capacity and resilience of the FSM to adapt to the effects of climate change through an increase in the use of renewable energy and climate resilient infrastructure.

• **Justification** | FSM's energy costs are high. Electricity supplies are inadequate to meet the needs of the population. Imported fossil fuels are costly and yet the country is blessed with wind and solar resources. The country must invest in renewable energy systems and build infrastructure than can withstand rising sea levels and increasingly

destructive natural disasters. The <u>Coalition for Disaster Resilient Infrastructure</u> (CDRI) is a partnership of national governments, UN agencies and programs, multilateral development banks and financing mechanisms, the private sector, and knowledge institutions. The USAID Administrator will become the co-chair this spring and the USG is looking to expand membership.

- **Linkages** | This objective links to Indo-Pacific Objective 5 to Build Regional Resilience to 21<sup>st</sup> Century Transnational Threats.
- Risks | Failure to execute Objective 3.1 would create additional economic and security
  vulnerabilities for the FSM populace since their ability to adapt to the adverse affects of
  climate change would be limited. Energy costs would remain high and energy supplies
  would be constrained.

Objective 3.2 | Enhance the FSM's efforts to sustainably manage fisheries resources (particularly Tuna) and to reduce illegal, unreported, and unregulated (IUU) fishing.

- Justification | Fisheries resources in the FSM represent one of the country's most valuable resources. Annual revenues from fishing concessions average \$70 million, which represents 45-50 percent of annual government revenues. The sustainable management of this vital resource is of paramount importance to the economic viability of the FSM.
- Linkages | This objective links to the State/USAID Joint Strategic Plan Goal 2.1 and the
   Indo-Pacific Strategy Objectives.
- Risks | Failure to execute Objective 3.2 would create additional economic and security
  vulnerabilities for the FSM populace since it would jeopardize a major source of income
  for the country as well as the long-term viability of fisheries resources.

**Objective 3.3** | Strengthen links between U.S. institutions, regional entities, nongovernmental organizations, and communities on climate related issues to better utilize resources and promote efficient operations.

- Justification | The COVID pandemic has made links more difficult between FSM and U.S. institutions and organizations of all types. But there is a strong desire to expand those linkages in order to provide technical skills and joint problem solving. The United States is making substantial contributions to international organizations to address climate change such as the Global Climate Fund and the Global Environmental Fund. As the international donors expand their climate change funding, coordination becomes more important to maximize the benefits to FSM.
- **Linkages** | This objective links to the State/USAID Joint Strategic Plan Goal 2.1, 3.3, and Indo-Pacific Strategy objectives 2 and 3.
- Risks | Failure to execute Objective 3.3 would fail to build upon strong existing
  relationships and would lose some of the best practices and partnerships that the U.S.
  has to offer the FSM.

# 4. Management Objectives

**Management Objective 1** | Align physical, and human resources to appropriately support Mission's bilateral and regional goals

- Justification | A resilient management platform will provide the physical and human resources needed to achieve the mission's program goals and to contribute to realizing overarching US security and global concerns and mitigate the risk that regional peer competitors will increase investment and activities in the FSM to secure increased state and national government influence and support.
- Linkages | State-USAID Joint Strategic Goal Framework
- Risks | Failure to execute Management Objective 1 would hamper Embassy Kolonia's
  ability achieve its objectives, strain already limited physical and human resources, and
  may require more costly interventions in the future.

**Management Objective 2** | Build a resilient local workforce through effective compensation, professional development, and employee engagement.

- Justification | Kolonia is a remote post with a small workforce and limited resources.
   Hiring, compensating and retaining a quality staff is critical to overall effectiveness and directly impacts all aspects of Embassy operations.
- Linkages | State-USAID Joint Strategic Goal Framework
- Risks | Failure to execute Management Objective 2 may result in workforce performance and staff retainability disadvantages.