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PRESIDENT BUSH NAMES DAVID COHEN US SPECIAL REPRESENTATIVE

(Washington, D.C. September 19, 2002) President George W. Bush has named David B. Cohen, Deputy Assistant Secretary for Insular Affairs, as the official United States Special Representative to meet with the Commonwealth of the Northern Marianas Islands (CNMI) to discuss the possibility of continued financial assistance from the US to the CNMI. The President's letter, which was signed September 13th, also designates Mr. Cohen as the President's Special Representative to discuss general issues regarding the relationship between the US and the CNMI. The Deputy Assistant Secretary was thankful in his remarks today.

“The President’s appointments represent a challenge of which I am honored and privileged to undertake. These consultations, which are required by the Covenant that established the relationship between the US and the CNMI, are important to both sides. As the Special Representative, I look forward to hearing the Commonwealth's views on a wide range of important issues, beginning with a review of their financial needs.”

Cohen added that the timing of the President's announcement is important since he has scheduled the first session of Covenant section 702 consultations with CNMI Lt. Governor Diego Benavente, the Commonwealth's Special Representative, to take place on September 30th in Los Angeles. In his recent letter to the Lt. Governor, Mr. Cohen said that the upcoming meeting was mandated by the terms of the Covenant that call for the two sides to meet at least one year prior to the expiration of the current US-CNMI funding agreement in September, 2003. The Deputy Assistant Secretary spoke about his hopes for the initial meeting.

“The purpose of this meeting is simply to initiate the process. The US will primarily be in a listening mode. We will need time to review whatever the CNMI proposes.”

Since 1985, the Commonwealth has had three separate seven-year funding agreements with the US Department of the Interior, which provided millions of dollars in Federal assistance to the CNMI. In 1999, Congress modified the current agreement by limiting the CNMI's guaranteed funding to \$11 million annually until the agreement's expiration. Congress ordered that the other insular areas be permitted to share in the \$27.7 million fund for the first time. Mr. Cohen noted that the Congressionally mandated modifications make future funding issues far more involved than prior Covenant section 702 consultations.

“The last funding agreement contemplated that guaranteed funding to the CNMI under the covenant would be phased out. We have been evolving towards an arrangement in which all of the territories will have an equal opportunity to access capital improvement funds, with no single territory getting a guaranteed share. I am not sure how much flexibility Congress will allow us on this issue.”

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