NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS 39TH CONSTITUTION REGULAR SESSION, 2018



Republic of the Marshall Islands Jepilpilin Ke Ejukaan

OFFICE OF COMMERCE, INVESTMENT AND TOURISM (AMENDMENT) ACT, 2018

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Republic of the Marshall Islands Jepilpilin Ke Ejukaan

OFFICE OF COMMERCE, INVESTMENT AND TOURISM (AMENDMENT) ACT, 2018

AN ACT to amend certain provisions of the Office of Commerce and Investment Act, 2013, to merge the Marshall Islands Visitors Authority with the Office of Commerce and Investment, repeal the *Marshall Islands Visitors Authority Act* 1997and other related matters.

BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS

§101. Short Title.

This Act may be cited as the Office of Commerce, Investment and Tourism (Amendment) Act 2018.

§102. Amendments.

- (1) The title of the 2013 Act and all references to the Office of Commerce and Investment shall be replaced with the Office of Commerce, Investment and Tourism Act and Office of Commerce, Investment and Tourism, respectively.
- (2) Section 618 shall be amended by revising the existing language as follows:
- §618. Objectives and Functions of the Office of Commerce, Investment and Tourism.
- (1) The objectives of the Office shall be:
 - (a) Promote, facilitate exports and investment to boost economic growth in order to improve the welfare of the people;

- (b) Be the first point of contact for investors exploring business opportunities in the Marshall Islands, and the agency for export initiatives;
- (c) Assist existing and potential investors grow and diversify their businesses;
- (d) Work in close collaboration with Government bodies, institutions and private sector companies to facilitate the implementation of investment projects and, more importantly, to continuously improve the investment and business environment;
- (e) Identify export products and services and work with exporters to market their products;
- (f) Provide policy advocacy to continuously improve the competitiveness of the Marshall Islands for investment and export growth;
- (g) Develop and promote the natural, scenic, cultural, historical and recreation activities of the Marshall Islands that will:
 - i. create an economically sound tourism resource;
 - ii. foster preservation and improvement of these assets and prevent and avoid their degradation and pollution;
 - iii. provide substantial net economic return to the people of the Republic and, to the extent feasible, equitable distribution of economic and social benefits throughout the country; and
 - iv. maintain strong, active control by the government and the Marshallese people over the nature, quality, and magnitude of tourism development and the use of land and water resources;
- (h) develop popular support for tourism development on a nationwide basis through fostering public understanding and appreciation of tourism and its economic contribution;
- (i) foster an understanding by tourists of the unique and sensitive character of the Marshall Islands' culture and values;
- (j) encourage cooperation and coordination between the Government and private sector in tourism development;

- (k) control the expansion of tourism development at a rate in accord with other elements of tourism policy;
- (l) ensure that tourist activities are in keeping with the social, economic and physical needs and aspirations of the Marshallese people;
- (m) develop the tourist industry in such a manner as to provide new job opportunities and steady employment for the Marshallese people, and provide opportunities to ensure job training and education that will allow for upward mobility within the tourist industry; and
- (n) ensure that all national and local Government agencies and instrumentalities undertake activities consistent with and in support of tourism policy.
- (2) The functions of the Office shall be:
 - (a) primary function of the Office under this Chapter is to investigate, study, develop and implement social and economic development programs and projects, alone or in conjunction with other governmental, private organizations, or agencies, for the betterment of the economic and social conditions of the inhabitants of the Republic.
 - (b) In particular, the Office shall encourage and develop, and may manage, businesses of economic or social importance to the Republic, such as tourism, poultry farming and piggeries.
 - (c) In addition, the Office shall conduct, on behalf of the Government of the Marshall Islands, such business enterprises as the Cabinet directs, on such terms and conditions as are agreed on between the Office and the Cabinet; provided, however, in all decisions of the Board or the Cabinet, the protection of existing enterprises shall be given highest consideration.
 - (d) Subject to any policy directions under Section 617 of this Chapter, in the conduct of any enterprise under Subsection (3) of this Section, the Office shall comply with sound business practice.
 - (e) To implement the objectives that promote and encourage the development of those tourism accommodations, attractions,

- facilities and features which are consistent with those objectives;
- (f) to recommend standards in the construction, equipping and operation, as appropriate, of restaurants and tourism accommodations, attractions, facilities and features;
- (g) to promote travel by the public to and within the Republic of the Marshall Islands;
- (h) to establish, maintain, develop and operate publicity, public relations and information services in respect to travel to and within the Republic of the Marshall Islands;
- (i) to provide services and amenities for tourists and the public and to promote such services and amenities;
- (j) to coordinate and facilitate tourism training programs through liaison with private sector, government agencies and other instrumentalities and tourism training resource centers;
- (k) to conduct inquiries into any matters at the request, or with the approval, of the Minister, and make recommendations to the Minister as to desirable public policies and programs necessary to achieve and realize the policy declared in this Chapter;
- to encourage and promote the participation of foreign investment in the development of tourism in the Republic of the Marshall Islands in a manner consistent with the objectives of the Office;
- (m) to recommend to the appropriate authorities efficient facilitation and monitoring procedures with respect to entry and exit of visitors to the Republic of the Marshall Islands;
- (n) to promote the manufacture of local handicrafts and artefacts and help prescribe and establish standards of quality;
- to provide liaison and coordination between government and private agencies and business in the promotion and development of the tourism industry in the Republic;
- (p) to establish tourist information centers to assist visitors to optimize the use of tourist related facilities;

- (q) to assist and advise in the establishment of tourism related industries;
- (r) to advise on appropriate land zoning and building regulations for tourist related developments;
- (s) to promote clean-up, planting, and beautification programs;
- (t) to study and survey tourist needs and facilities;
- (u) to identify potential sites for future tourist development and promote them;
- (v) to recommend and request acquisition of sites suitable for tourist accommodations, attractions, facilities and features;
- (w) to employ technical services and any other staff it may require to effectively promote the functions of the Office;
- to obtain membership in any regional or international tourist organization which will effectively promote the functions of the Office;
- (y) to monitor the impact of tourism development and activities on the social, economic and physical environment of the residents of the Republic, and to bring major tourism impact issues to the attention of the Minister and other appropriate public officials with recommendations to address negative or undesirable effects and community concern; and
- (z) to take any other steps as may be necessary to carry out its responsibilities.
- (aa) The Office also has such functions as are conferred on it by any other Act.
- (3) Section 619 shall be amended by revising the existing language as follows:

§619. Powers of the Office.

- (1) Subject to this Chapter and any other law, the Office has, in addition to any other powers conferred by this Chapter and any other law, all powers that are necessary or convenient for carrying out its functions.
- (2) Without limiting the generality of Subsection (1) of this Section, but subject to this Chapter and any other law, the Office may:
 - (a) identify, promote, advise on, assist and bring about new endeavors of development or the expansion of existing areas

- of development, for the increase of the economic productivity of the Republic;
- (b) establish, subsidize, advise on, assist or promote, or participate in the establishment or promotion of, any enterprise, and manage or participate in the management, supervision, conduct or control of the business or affairs of, any enterprise;
- (c) expend funds for the study or implementation of projects determined by the Board to be of social or economic benefit to the inhabitants of the Republic;
- (d) provide advisory extension services for the benefit of any enterprise;
- (e) make or guarantee loans to assist the acquisition, construction, development, administration or extension of any enterprise;
- (f) acquire property, or any interest in or related to property, and own, hold, improve or develop, conserve or rehabilitate any property, or prepare any property for development, conservation or rehabilitation;
- (g) form, or assist or participate in forming companies, corporations and joint ventures for the purpose of carrying on business enterprises;
- (h) borrow money and accept advances, contributions and other assistance, in accordance with Section 623 of this Chapter;
- (i) authorize expenditures and investment of funds;
- (j) make contracts and other instruments that the Board considers necessary or convenient for the exercise and performance of its powers and functions;
- (k) insure, or provide for the insurance of, any property, project or operation against all or any risks with an insurer approved by the Minister;
- obtain from any governmental or other office any license, concession, right, power or privilege that may be useful for the purposes of the Office;
- (m) appoint agents or attorneys, whether in the Republic or elsewhere;
- (n) cooperate with other persons and authorities with regard to any of the abovementioned matters.

- (o) for the purpose of promoting and encouraging tourism to and within the Republic, act in association with any person or body of persons that may be engaged, concerned or interested in promotion of tourist traffic from overseas and within the Republic and contribute to the expenses involved in any such combination or association;
- engage in, or arrange for, publicity for the Republic by any appropriate means of communication, with particular reference to its tourist attractions and facilities;
- induce and assist travel agents, transport operators, and other appropriate bodies, or persons engaged in any publicity medium, to encourage people in other countries to visit the Republic;
- (r) produce, or cause to be produced, and sell or distribute magazines, pamphlets, and other publications and advertising matter relating to tourism in the Republic;
- (s) organize demonstrations of local culture and entertainment in the Republic or elsewhere;
- (t) collect information in relation to any relevant matter to publish, disseminate or supply, with or without charge, any such information or the results of, or conclusions drawn from the Office's consideration of any such information;
- (u) identify and recommend to appropriate authorities areas, land or marine features, wildlife, and marine species, physical constructions, services, historical and sociological practices and any other feature, or aspect of Marshallese life which may be registered or otherwise declared as tourism features or attractions, and make appropriate rules and regulations as to the management and conservation of such features of attractions following upon such registration or declaration;
- (v) for the purpose of protecting the standard existence and intrinsic nature of declared tourism features and attractions within the Republic, act in combination or association with any person or body of persons that may be engaged, concerned, interested, or charged with specific responsibility for protection of that feature or attraction and contribute to the expenses involved in such actions;

- (w) identify and recommend to appropriate authorities areas of land and marine features within the Republic which may be declared tourist features or special conservation areas and the standards of tourist accommodations, attractions or facilities which may be erected within those areas;
- (x) report to the Minister regarding necessary changes in legislation or regulations affecting tourist development in the Republic;
- (y) seek and accept gifts, loans and other contributions or indebtedness, by way of cash and assistance in kind, for the promotion of tourism in the Republic;
- (z) work with the private sector in the promotion of the Republic as a holiday destination;
- (aa) encourage, assist and facilitate the training of Marshallese to work in the tourist sector;
- (bb) in accordance with Article X, Section 1(2) of the Constitution, in cooperation with other appropriate government agencies or instrumentalities, purchase, own, lease, rent, sell, mortgage, pledge, or in any other manner deal in and with property, real, personal or mixed, excluding any land of the National Government, a Local Government, or any agency or instrumentality of a National or Local Government, as may be necessary and convenient to carry out its functions;
- (cc) arrange or contract for the erection, construction, maintenance, operation, management or provision of tourist accommodations, attractions or facilities on any land acquired by the Office; sell or lease such land either with or subject to the erection or license such tourist accommodations, attractions or facilities on such terms as the Office may decide either in combination or otherwise with any person or group of persons as the Office may decide;
- (dd) conduct, maintain, and improve all property controlled or administered by it or established or acquired by it;
- (ee) subject to the provisions of the *Marshall Islands Administrative Procedure Act 1979* (6 MIRC 1), and any other law, set and collect such charges as it determines from time to time for the use of any accommodations, services, works, buildings,

- recreation grounds, (ff) equipment, apparatus, attractions, amenities, or facilities, which are provided, maintained, controlled or operated by the Office or any other person or persons whether corporate or unincorporated;
- (gg) contract for the execution or provision by any person of any work of services authorized by this or any other Act to be executed or provided by the Office in such manner and on, and subject to, such terms and conditions as the Office thinks fit; and
- (4) The Marshall Islands Visitors Authority Act 1997 is hereby repealed.
- (5) The reference to the Marshall Islands Visitor Authority (MIVA) in Section 153(2) of the *Income Tax Act 1989*shall be repealed and replaced with reference to the Office of Commerce, Investment and Tourism (OCIT).
- (6) Any budget for the Marshall Islands Visitors Authority approved under the *Appropriations (Financial Year 2018) Act 2017* shall be transferred to the budget for the Office of Commerce and Investment.
- (7) The physical assets for the Marshall Islands Visitors Authority shall be transferred to the Office of Commerce and Investment.
- (8) The entities affected by the coming into effect of this Act shall be accorded a transition period of up to ninety (90) days within which to organize their affairs and to complete the transition.

§103. Effective Date.

This Act shall take effect on the date of certification in accordance with the Constitution and the Rules of Procedures for the Nitijela.

CERTIFICATE

I hereby certify:

- 1. That Nitijela Bill No: 108ND1 was passed by the Nitijela of the Republic of the Marshall Islands on the 20th day of Fibruary 2018; and
- 2. That I am satisfied that Nitijela Bill No: 108ND1 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 15th day of March 2018.

Hon. Kenneth A. Kedi

Speaker

Nitijela of the Marshall Islands

Attest:

Morean Watak

Clerk

Nitijela of the Marshall Islands

