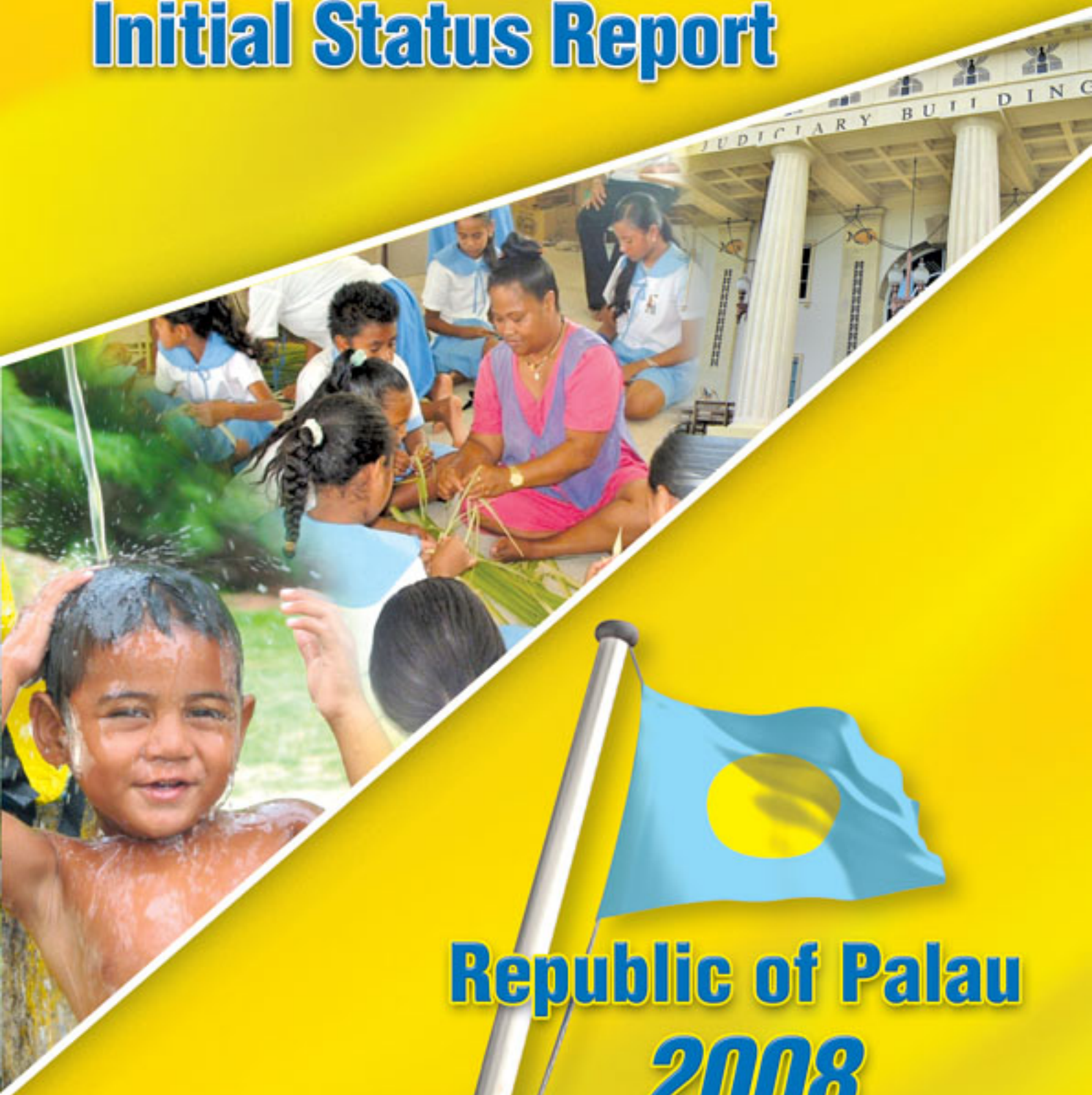


# The Millennium Development Goals: Initial Status Report



**Republic of Palau**  
**2008**

# **The Millennium Development Goals: Initial Status Report**

**Republic of Palau, 2008**

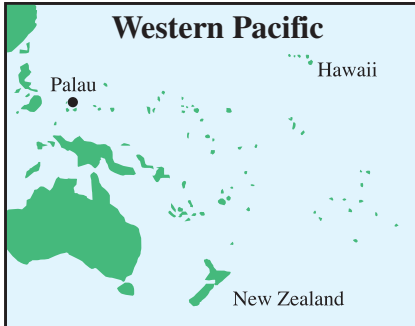
Prepared by the MDG Task Force under the direction of  
Honorable Elbuchel Sadang, Minister of Finance, Chairperson  
with financial support by the United Nations Development Program

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Report compiled by the Republic of Palau pursuant to Executive Order #247.

# REPUBLIC OF PALAU

Ngeruangel

*Velasco Reef*



Kayangel

*Northern Reefs*



*Ebil Channel Conservation Area*

*Ngaraard Mangrove Conservation Area*

Ngarchelong

*Ngermasch Conservation Area*

Ngardmau

Ngaraard

*Ngemai Conservation Area*

Ngeremlengui

Ngiwal

*Ngeremeduu*

Ngatpang

Melekeok

*Ngardok Reserve*

Aimeliik

Ngchesar

*MesekeLOT Watershed Area*

Koror

Airai

*Ngekukes Conservation Area*

*Ngerumekool Channel*

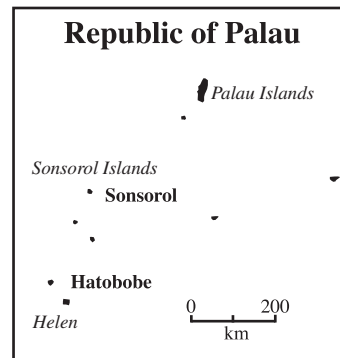
*Ngerukewid Islands Wildlife Preserve*

*Rock Islands*

*Ngemelis No-Fishing Area*

Peleliu

Angaur





# FOREWORD

A little over eight years after becoming a signatory to the Millennium Development Declaration, Palau has compiled its first status report on the Millennium Development Goals. This Report provides information with which we as a country, in partnership with national and international development partners, can engage in public discussion on policy priorities for achieving not only sustainable but also equitable growth.

Although the Republic of Palau has in large measure achieved, or will soon achieve, most of the Millennium Development Goals (MDGs), recent data suggest that greater attention will need to be given to MDG 1 – eradication of poverty. The 2006 Household Income and Expenditure Survey, when analyzed from a poverty perspective (Poverty Analysis Report 2008), suggests that there is a higher incidence of poverty in our population than had been previously believed. While discouraging, this finding demands renewed, collective efforts on the part of Government and its national and international development partners to address poverty. One of the first steps toward eradicating poverty is to fully integrate the MDG framework into our national development agenda.

With the 2008 MDG Report now available, the continuing challenge for our nation will be to use the report as a policy-informing tool and to put into place appropriate measures to keep the eight goals and sixty targets squarely in focus. Success in achieving ALL the MDGs by 2015 requires the collective efforts of the National Government, state governments, private sector, individual citizens and our development partners to utilize newly developed tools for data collection, analysis, and advisory support for MDG-based planning in Palau. Let the official release of this Report be an invitation by the Government, to its people, and its development partners to continue working with tenacity to realize our common development agendas.

On behalf of the Government of Palau, I wish to express gratitude to the United Nations Development Program (UNDP) for providing the financial support that allowed this first MDG Status Report to be completed and to the Asian Development Bank for supporting technical assistance work (RETA6356) that first began the assessment on the use of administrative data for compiling MDG indicators. I also extend my gratitude to the MDG Task Force and Working Group members for their commitment to the Project (established under 22 February 2008 Executive Order 247), and to Ms. Judy Otto, the local consultant to the Project.



Elbuchel Sadang  
Minister of Finance (2001-2008)  
Chairman, MDG Task Force





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# ACRONYMS AND ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
BPH	Bureau of Public Health (part of the Ministry of Health)
CO <sub>2</sub>	Carbon dioxide
CoPopChi	(Palau National) Committee on Population and Children
DOTS	Directly Observed Therapy Short Course (treatment of tuberculosis)
FY	Fiscal Year
GDP	Gross Domestic Product
GNI	Gross National Income
HIES	Household Income and Expenditure Survey
HIV	Human Immune Deficiency Virus
MDG	Millennium Development Goals
MMR	Measles, Mumps, Rubella (vaccine)
MOE	Ministry of Education
MOF	Ministry of Finance
MOH	Ministry of Health
MRD	Ministry of Resources and Development
MTDS	Medium-Term Development Strategy
NBSP	National Biodiversity Strategic Action Plan
ODA	Overseas Development Assistance
OEK	Olbiil Era Kelulau (Palau National Congress)
OERC	Office of Environmental Response and Coordination
OPS	Office of Planning and Statistics
PAN	Protected Area Network
PCC	Palau Community College
PINZ	Polytechnics International New Zealand (contractor preparing MTDS)
PNCA	Palau National Code (of law)
PPP	Purchasing Power Parity
RARE	A U.S. based environmental non-government organization
SSA	(Palau) Social Security Administration
SY	School Year
Tb	Tuberculosis
UNDP	United Nations Development Program
UNICEF	United Nations Children’s Fund
WHO	World Health Organization



# Introduction to Palau's First MDG Status Report, 2008







# Introduction to the Millennium Development Goals Report - 2008

**The goals:** In September 2000, Palau joined the international community in adopting the United Nations Millennium Declaration.<sup>1</sup> The Declaration affirms the world's commitment to six fundamental values - freedom, equality, solidarity, tolerance, respect for nature, and shared responsibility for social and economic development. The Declaration also provides a normative background to achieving development outcomes, with a focus on peace and security, respect for human rights, gender equality, and good governance. To realize these values and principles, Palau, together with 188 other nations has made a commitment to achieve eight strategic goals that will improve the lives of millions, including the world's poorest and most vulnerable peoples. As signatory to the Declaration, Palau has pledged to achieve the Millennium Development Goals (MDGs), monitor progress, and periodically report on the same.

**The report:** This is Palau's first formal status report on the MDGs. The report provides a

<sup>1</sup> Resolution adopted by the United Nations General Assembly, September 8, 2000.

snapshot of current status and is designed to raise awareness about the MDGs at home while informing the international community about progress since 1990 (or alternate base year depending on data availability). The report is based in part on the "2005 National Assessment

Report" prepared for the Barbados Program of Action +10 Review. The Barbados Report represented Palau's first effort to address the MDGs comprehensively.

This report is divided into eight chapters, one for each goal. Each chapter opens with a "status at a glance" table and proceeds to summarize progress against the targets and indicators selected by the

international community for monitoring.<sup>2</sup> The report is purposefully short without extensive narrative or detailed analyses.

**Development status:** Palau is small in terms of both area and population (20,581 persons, 2007 estimate). It is a constitutional democracy modeled after that of the United States. The national government features a

<sup>2</sup> Of the 20 targets and 60 indicators adopted by the international community, 19 targets are relevant in Palau. Palau has added two additional targets to those of the international community (universal completion of high school and reversing the prevalence of non-communicable diseases).

## Millennium Development Goals

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
  - a. Combat HIV/AIDS, malaria, tuberculosis and other diseases
6. Ensure environmental sustainability
7. Develop a global partnership for development

popularly elected President and bicameral legislature and an independent judiciary. Local government consists of sixteen state governments that have important responsibilities for social welfare, economic development, and environmental protection. The national economy is dominated by the public sector and tourism supplemented by agriculture, fisheries, and a fledgling aquaculture industry. Migratory fish constitute the only export of significant value. Due in large measure to high levels of Overseas Development Assistance, primarily from the United States, Palau enjoys a high per capita gross domestic product (almost \$8,000 per person, 2007 provisional figures).

The Palauan culture revolves around such fundamental values as respect for all things living and non-living, consideration for the well-being of others, and striving for knowledge and education. These intrinsic cultural values together with high levels of GDP provide a strong foundation for realizing the MDGs. Beyond this, Palau has well-developed health and education infrastructures and in recent years has created a strong environmental protection infrastructure. Furthermore, integration of the MDGs into the national development agenda precedes the Millennium Declaration. Since the launch of constitutional government (in 1980) and independence (in 1994), successive governments have strived to:

- Increase economic growth and distribute the benefits of development equitably;
- Develop Palau's human, natural, and technical resources;
- Preserve environmental and cultural assets;
- Strengthen institutions for economic development and macroeconomic management;
- Strengthen national planning frameworks.









These themes are reflected in all national planning documents. "Palau 2020: National Master Plan for Development" adopted in 1996 is a long-term comprehensive plan for social, economic, and infrastructure development organized around the overarching theme of improving the quality of life for all citizens. The draft Medium-Term Development Strategy, (to be finalized in early 2009), is a five-year strategic plan that provides the implementation framework for "Palau 2020" for the period 2009-2013.

These macroplans are supported by special purpose and sector plans. The Economic Development Plan (1994), the JICA Study (2000), and the Management Action Plan (2001) are multisector planning documents that provide shorter-term planning frameworks supportive of "Palau 2020". The Public Sector Investment Program (2003) focuses on infrastructure. The National Master Plan for Education (1996 and 2006) revolves around "education for all." Several topic-specific health plans are organized around the central theme of "Healthy Palau in a healthful environment." The National Biodiversity Strategic Action Plan (NBSAP, 2004) provides a comprehensive framework for environmental conservation supplemented by other issue-specific environmental assessments and plans.

**P**rogress: Palau has made impressive progress toward the MDGs. Goals for health (MDG 4, 5, and 6), education (MDG 2), environment (MDG 7), and gender (MDG 3) have largely been achieved. While Palau's poverty situation (MDG 1) is good in comparison to that of many other countries, data are not available to track trends and assess progress. Palau is well-integrated into the global community and receives economic and technical benefits from an extensive network of bilateral and multilateral development partners (MDG 8).

**Constraints:** As this report is prepared, Palau enters a period of uncertainty. The Compact of Free Association governing Palau's relationship with the United States is under review. The United States is Palau's main source of overseas development assistance and the possibility looms that its aid may begin to decline in 2009. The global economy is extremely volatile; a global downturn could result in declining foreign investment and tourism

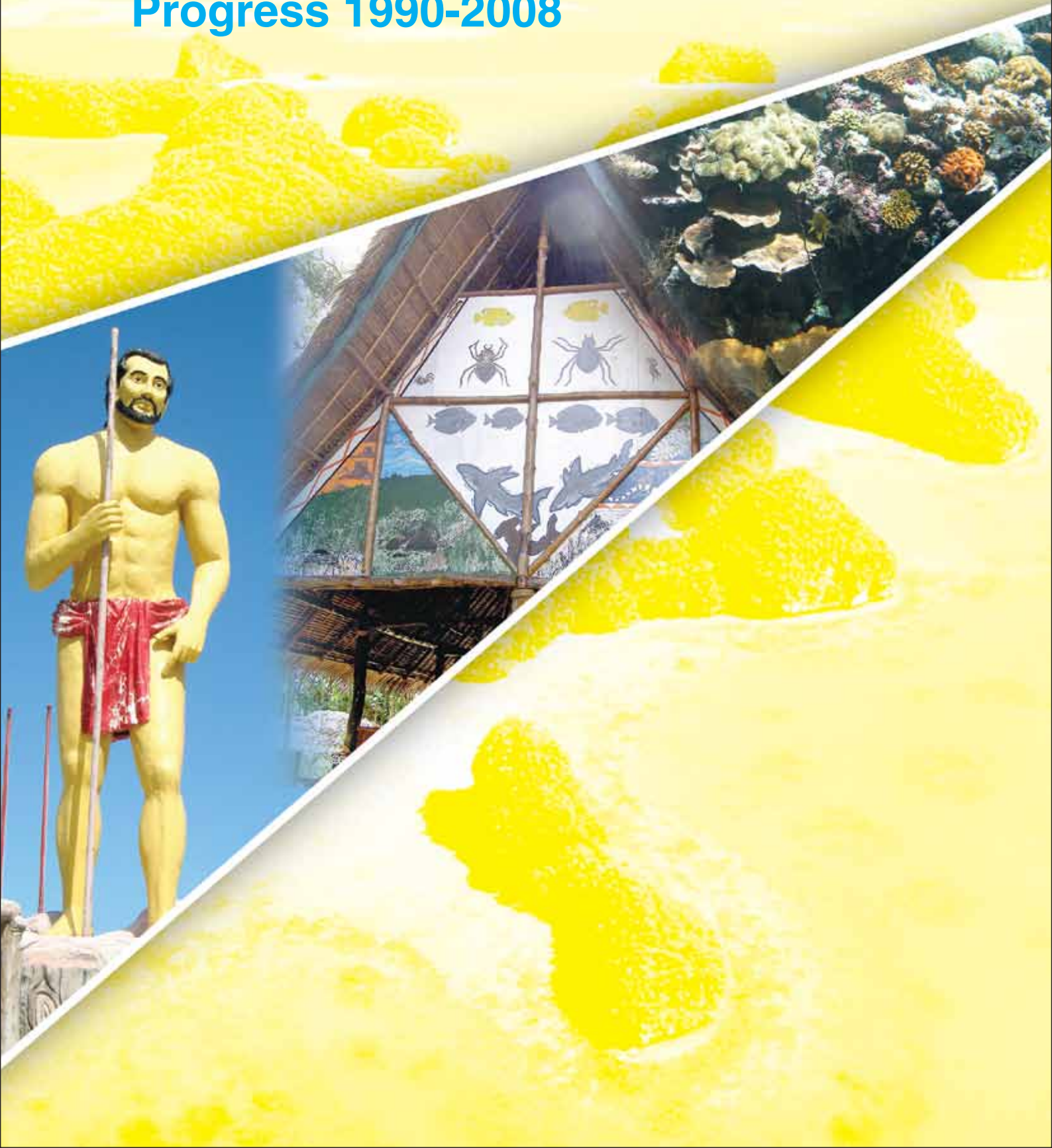
receipts. Over the longer-term, Palau faces new challenges arising from climate change and concurrent sea level rise. In coming years, Palau will need to diversify its economy and achieve more with less. This is the central theme of the (draft) MTDS and a central challenge for maintaining Palau's favorable position vis-à-vis MDGs 2-8 while addressing the poverty prevention and alleviation targets of MDG 1.

The Goals and Targets at a Glance		
 Goal already achieved	 Strong national support	
 Goal likely to be achieved by 2015	 Fair national support	
 Uncertain if goal will be achieved	 National support improving	
 Inadequate data to assess progress	 National support weak	
Target for 2015	Status: Will Target be Met?	State of Supportive Environment
<b>MDG 1: Eradicate extreme poverty and hunger</b>		
Halve the proportion of people living below the national poverty line	Uncertain	Strong
Achieve full and productive employment for all including women and young people	Uncertain	Strong
Halve the proportion of people suffering from hunger	Achieved	Strong
<b>MDG 2: Achieve universal primary education</b>		
All children (boys and girls) will complete a full course of primary education	Likely to be Achieved	Strong
All children (boys and girls) will complete a full course of secondary education <i>Note: target added by Palau</i>	Likely to be Achieved	Strong
<b>MDG 3: Promote gender equality and empower women</b>		
Eliminate gender disparity in education	Achieved	Strong
Promote gender equality and empower women	Likely to be Achieved	Strong

<b>MDG 4: Reduce child mortality</b>		
Reduce under-five mortality by two-thirds	Achieved	Strong
<b>MDG 5: Improve maternal health</b>		
Reduce maternal mortality by 75%	Achieved	Strong
Achieve universal access to reproductive health services	Achieved	Strong
<b>MDG 6: Combat HIV/AIDS, malaria and other diseases</b>		
Halt and begin to reverse the spread of HIV and AIDS	Likely to be Achieved	Strong
Make antiretroviral therapy widely available to persons with advanced HIV infection	Achieved	Strong
Halt and begin to reverse the incidence of tuberculosis	Achieved	Strong
Halt and reverse the incidence of malaria	Not applicable to Palau	
Halt and begin to reverse the prevalence of non-communicable diseases	Uncertain	Strong
<b>MDG 7: Ensure environmental sustainability</b>		
Integrate principles of sustainable development into policies & programs	Achieved	Strong
Reverse biodiversity loss and by 2010 achieve a significant reversal of loss	Achieved	Strong
Halve the proportion of the population without sustainable access to improved drinking water & sanitation	Achieved	Strong
By 2020 to have achieved significant improvement in the lives of urban slum dwellers	Achieved	Strong
<b>MDG 8: Develop a global partnership for development</b>		
Develop open, rule-based, predictable, non-discriminatory trading & financial system	Likely to be Achieved	Strong
Provide access to affordable essential drugs	Inadequate Data	Strong
Make benefits of technology widely available	Achieved	Strong



# Millennium Development Goals: Progress 1990-2008







## MDG 1: Eradicate extreme poverty and hunger

**Introduction:** In Palau, as elsewhere in Oceania, cash or material poverty is a somewhat new concept that is both sensitive and controversial. Palauans, like most islanders, take pride in their culture of “caring and sharing” where the vulnerable are cared for by more fortunate members of family and clan. Acknowledging poverty challenges not only the economic order but also the very foundations of society and culture. In 1998, the Palau Community Action Agency and CoPopChi conducted a series of focus group discussions on poverty. From these emerged a consensus that

the Palauan concept of poverty (“*chelebuul*”) has four dimensions:

- Interpersonal and clan relationships;
- Perseverance or personal drive;
- Customary social status; and
- Access to land.

**Target 1:** Between 1990 and 2015, halve the proportion of the population living on less than one dollar per day (expressed in purchasing power parity).

Indicators at a Glance – Poverty and Hunger					
Indicator	1990-91	1995	2000	2006	Source
<b>Target 1: Halve the proportion of people with incomes below \$1 per day (PPP)</b>					
Population living on less than \$1 PPP per day	n.a.	n.a.	n.a.	n.a.	---
Households (%) below basic needs poverty line <i>(Note not PPP factored)</i>	n.a.	n.a.	n.a.	18.4%	HIES 2006 as analyzed by Abbott 2008
Individuals (%) below basic needs poverty line <i>(Note not PPP factored)</i>	n.a.	n.a.	n.a.	24.9%	
Poverty gap index	n.a.	n.a.	n.a.	6.6	
Ratio of expenditures (Q1 : Q5)	n.a.	n.a.	n.a.	4.5	
Gini coefficient of inequality – households	n.a.	n.a.	n.a.	0.25	
Gini coefficient of inequality – individuals	n.a.	n.a.	n.a.	0.39	
<b>Target 2: Achieve full and productive employment for all, including women and youth.</b>					
GDP per person employed	n.a.	\$12,446	\$11,566	\$12,962	OPS/SSA
Proportion of population employed (total)	36.6%	44.4%	54.2%	61.4%	Social Security
Proportion of citizens employed	30.7%	34.8%	39.2%	37.9%	
Working poor (household heads in lowest expenditure quintile that were employed)	n.a.	n.a.	n.a.	50.3%	HIES Abbott
Self employed persons in total employment (%)	2.7%	2.7%	1.1%	5.4%	Census
Unpaid family workers in total employment (%)	0.2%	0.3%	0.4%	0.1%	Census
<b>Target 3: Halve the proportion of people who suffer from hunger.</b>					
Underweight children below age 5	n.a.	n.a.	n.a.	n.a.	---
Households (%) below food poverty line	n.a.	n.a.	n.a.	0%	HIES Abbott

Of these four dimensions, interpersonal relationships were by far considered to be the most important. A Palauan amasses wealth by tending to family and clan obligations. Without strong family and clan ties, even persons with significant monetary and material assets are considered to be impoverished in the eyes of the community.

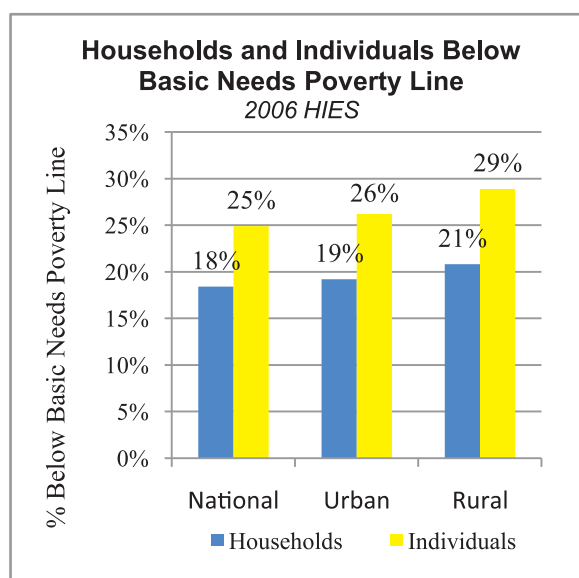
Since 1998, the twin forces of social change and monetization have heightened awareness of poverty defined in Pacific terms as: "...an inadequate level of sustainable human development which includes lack of access to basic services, lack of opportunities to participate in the socioeconomic life of the community, and a lack of adequate resources to meet the basic needs of the household and customary obligations to the extended family, community, and church" (UNDP, 1999).

In striking contrast to 1998 when many Palauans were reticent to speak about poverty, today, poverty has become a popular topic of discussion in coffee shops, newspaper editorials, and government circles. There is growing concern in the public policy arena with defining, measuring, and monitoring poverty. Although Household Income and Expenditure Surveys were conducted in Palau in 1992, 1997, and 2006, only the 2006 survey has been analyzed from a poverty perspective (Abbott, 2008). For this reason, 2006 is the base year for all Target 1 indicators.

Poverty Line 2006 (Adult Equivalent Per Capita)		
	Weekly	Annual
National	\$58.05	\$3,019
Urban	\$61.24	\$3,184
Rural	\$52.47	\$2,728

*Source: Abbott, D. (2008), Table 12.*

Although work is in progress to calculate purchasing power parity for Palau and other Oceanic countries, these data are not yet available. Data are available from the 2006 HIES to measure relative poverty calculated on the basis of expenditures (see figure below).



In contrast to many Oceanic countries, the differential between urban and rural poverty lines for Palau is relatively small – only \$456 separates the two poverty lines. This reflects Palau's compact geography, high GDP, and relatively low level of subsistence production. (Nationally, the HIES found that subsistence production accounted for only 13 percent of the average household's food expenditures; this is a far lower proportion than in many other Pacific nations).

Nationwide, 18 percent of households and 25 percent of individuals had (in 2006) expenditures below the basic needs poverty line. Again, the rural-urban differential was small. 20.8 percent of rural households and 19.2 percent of urban households fell below the poverty line. For households in the lowest expenditure quintile, 50 percent of household heads were employed (e.g. "working poor") while 39 percent were unemployed (Abbott, 2008).

The HIES reveals a small but significant gender differential in poverty incidence. While nationally 26.5 percent of households were headed by females, 31.3 percent of female-headed households had expenditures below the basic needs poverty line. The gender differential was more pronounced in rural areas where 40 percent of female headed households had expenditures below the basic needs poverty line (see table below).

Female Headed Households Below Basic Needs Poverty Line			
	National	Urban	Rural
Female headed households	26.5%	27.0%	24.8%
Female-headed households below poverty line	31.3%	29.9%	40.1%
<i>Source: Abbott, D. (2008), Table 18</i>			

Palau's poverty rate translated to 4,939 individuals affected by poverty of which 1,555 (31 percent) were children. An additional 1,055 persons had expenditures between 100 and 110 percent of the poverty line and were consequently classified as vulnerable to poverty. Given recent inflation driven by rising oil prices, many of the vulnerable may well have fallen into poverty by mid-2008.

Palau's overall incidence of poverty is moderate in relation to other Oceanic countries. Interhousehold inequality is also moderate. The national poverty gap ratio is 6.6 (urban 6.7 and rural 7.7). The Gini Coefficient (household level)

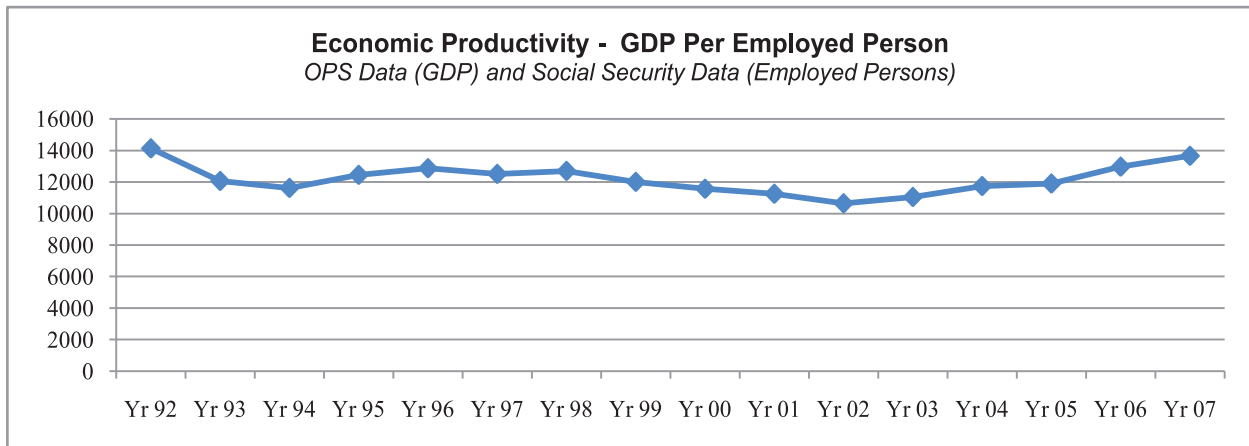
is 0.25 with virtually no difference between rural (0.26) and urban (0.24) households. The ratio of expenditures for low spending households (lowest quintile) to high spending households (highest quintile) is 4.5 (urban 4.7 and rural 5.1).

Because there are no trend data available for any of the poverty indicators and because the domestic economy is entering a period of uncertainty, it is difficult to project whether the poverty reduction target will be achieved by 2015.

**Target 2:** By 2015, achieve full and productive employment and decent work for all, including women and young people.

Palau has a somewhat unusual labor force profile. There are more jobs than Palauan workers but because of a mismatch between market demand and labor force skills and the relatively high reserve price of Palauan labor, many Palauans opt out of the labor force while others immigrate to better paying jobs in the United States. The ensuing labor gap is filled by non-Palauan "guest" workers. This situation is reflected in employment statistics. For all residents, the employment rate nearly doubled between 1991 (36 percent) and 2005 (61 percent). For citizens, the employment rate grew from 30 percent (1991) to 38 percent (1997) and has subsequently remained virtually unchanged.

Despite a significant number of working age adults (30 percent of residents and 40 percent of citizens, 2005) who do not participate in the labor force, only a small proportion are self-employed (5.4 percent, 2005) or unpaid family workers (0.1%, 2005).



Economic productivity has been largely stagnant across the monitoring period as evidenced by the graph above. After declining for much of the 1992-to-2002 period, productivity grew, however, by 28 percent for the period 2002-2007 (average growth rate of 5.6 percent per annum).

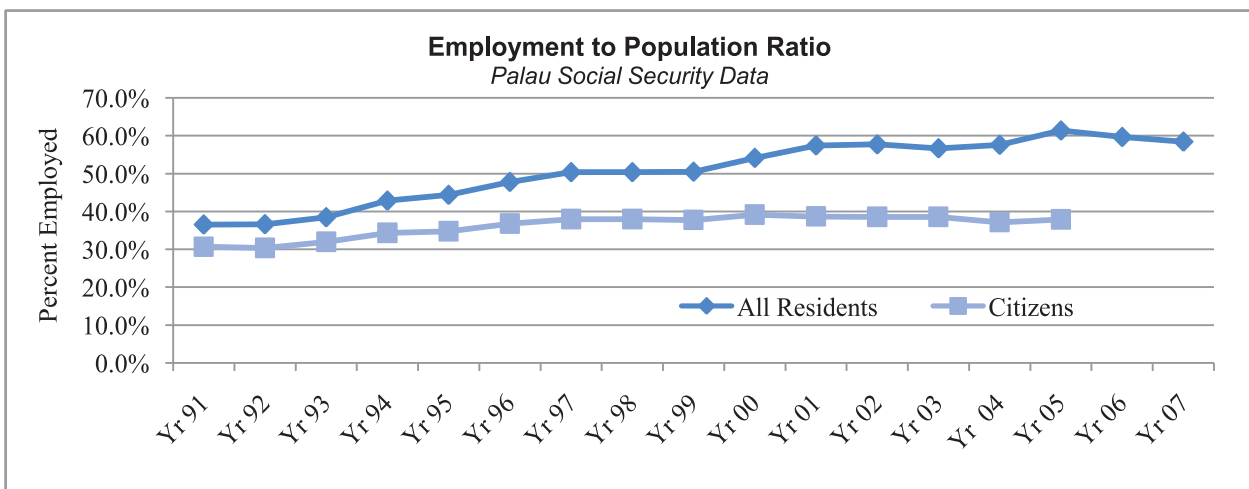
**Target 3:** Between 1990 and 2015, halve the proportion of people who suffer from hunger.

Two indicators have been identified internationally to monitor progress toward the hunger reduction target:

1. Underweight children below age 5; and
2. Percent of population not consuming minimally acceptable levels of dietary energy.

For Palau, data are unavailable to assess either of these indicators. Few Palauan children are underweight. The occasional underweight child identified in health clinics (average 0-to-2 children per year) is treated and monitored but case numbers are not compiled or reported. Underweight among adults is likewise rare. Furthermore, analysis of the 2006 HIES suggests there are virtually no households having expenditures below the food poverty line (\$16.60 weekly per capita adult equivalent).

Malnutrition, however, is widespread as manifested by poor food choices, overweight, obesity, and resulting illhealth and premature mortality. A 2006 school health survey found 35 percent of children either overweight or at risk of overweight (Ministry of Health, 2006). The



Ministry of Health reports that 55 percent of adults are overweight (MOH, 2007). The 2006 HIES further confirms the poor food choices being made by many households.

*Future directions:* Poverty has not held a prominent position in the national policy discourse until relatively recently. The recent poverty analysis of HIES data was stimulated in part by the global development dialogue and in part by growing public concern about the high cost of living in the face of stagnant wages. The analysis constitutes an initial step toward evolution of a national poverty prevention and

alleviation strategy. Even without an identifiable strategy, however, several important poverty-prevention elements exist that contribute to Palau's generally favorable poverty profile. These include: free public schooling for grades 1-12; subsidies for essential utilities and health care; tax-free importation of drugs and essential foods; and subsidized child care, legal aid, and home mortgage.

The draft Medium-Term Development Strategy calls for better monitoring of poverty indicators and development of a comprehensive poverty prevention and alleviation strategy (PINZ, 2008).







## MDG 2 : Achieve universal education

**Introduction:** Palauans traditionally place a high value on education. In the 1920's, nearly 90 percent of Palauan children attended schools established by the Japanese colonial administration, a participation rate far higher than in other parts of Micronesia. The importance that Palau as an independent nation places on education is reflected in a constitutional mandate for the national government to provide free public education (grades 1-12) for all citizens, legislation mandating school attendance for children 6-17 years of age, ratification of the International Convention on the Rights of the Child in 1995, and continued high levels of expenditure on education. Palau spent \$19.1 million on education in FY 2007 from public and private sources equivalent to 11 percent of GDP, (*PINZ, 2008*).

Palau's education system is modeled after that of the United States. Facilities include 17

pre-elementary schools (preschools and kindergartens), 20 elementary schools (grades 1-8), 6 high schools (grades 9-12), two adult high school programs, a community college, several vocational-technical training programs, and a scholarship program that channels financial assistance to students attending post-secondary training institutions. While government, through the Ministry of Education, is the leading force in education, Palau has a vibrant private education sector. Eighteen percent of elementary students, and 38 percent of high school students attend private schools (MOE, 2007).

The Ministry of Education has prepared a series of ten-year master plans for education, the most recent encompassing the period 2006-2016. This plan focuses on improving student achievement and quality of instruction by: improving teacher training and certification; upgrading school facilities; improving school governance;

### Indicators at a Glance – Education

Indicator	SY 1989-90	SY 1994-95	SY 1999-00	SY 2004-05	Source
<b>Target 1: By 2015 all children (boys and girls) will complete a full course of primary (and secondary) education.</b>					
Gross enrollment ratio – primary (grades 1-8)	n.a.	113%	115%	100%	MOE
Gross enrollment ratio – secondary (grades 9-12)	n.a.	86%	94%	94%	MOE
Net enrollment ratio – primary (grades 1-8)	n.a.	n.a.	n.a.	85%	MOE
Net enrollment ratio – secondary (grades 9-12)	n.a.	n.a.	n.a.	66%	MOE
Primary survival rate (proportion of students starting grade 1 who will reach grade 8)	n.a.	n.a.	n.a.	93%	MOE
Literacy rate (persons 15-24 years of age)	n.a.	n.a.	99.0%	99.7%	OPS
Literacy rate (males 15-24)	n.a.	n.a.	98.8%	99.6%	OPS
Literacy rate (females 15-24)	n.a.	n.a.	99.3%	99.8%	OPS

strengthening student support services; and making curriculum more relevant. While the 2006-2016 plan does not explicitly address school enrollment, it is widely recognized in the community that the implicit national goal is to achieve universal primary and secondary education for each and every child.

**Target 1:** By 2015 all children (boys and girls) will complete a full course of primary (and secondary) education.

Most Palauans believe that virtually all primary-aged children and the vast majority of secondary school-aged children are enrolled in school. The law mandates school attendance and while some children are known by the community to either not be enrolled in school or to attend school only sporadically, these numbers are generally thought to be very low.

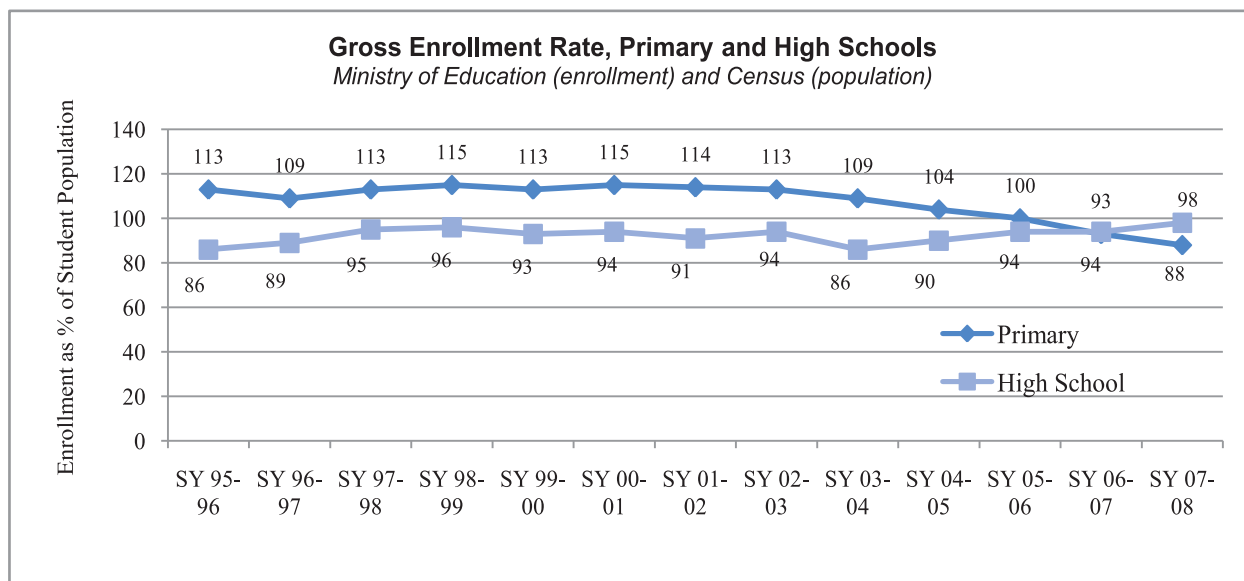
Unfortunately, it is difficult to document this “common knowledge” about school enrollment levels using available statistics. At the primary level, gross enrollment rates have been

historically high, (averaging 112 percent for school years 95-96 through 04-05). These rates dropped sharply for SY 05-06 and subsequent years. While the reason(s) for this decline require further investigation, errors in data collection are possible as are distortions in the data due to movement of children between schools, both within Palau and between Palau and neighboring jurisdictions. At the secondary level, gross enrollment rates average 92 percent with no trends in evidence.

Net Enrollment Rates		
	Primary	Secondary
SY 03-04	96%	51%
SY 04-05	93%	62%
SY 05-06	85%	66%

*Source: Ministry of Education (net enrollment); extrapolation from 2000 and 2005 censuses (population).*

Net enrollment rates, which are more sensitive indicators of school participation levels, have been compiled for only three recent school years. For two of these three years, net enrollment data confirm near universal primary participation but



for the third year, (SY 2005-06), rates show the same precipitous decline as evident in the gross enrollment statistics. For all three years, net enrollment in secondary schools is significantly lower than gross enrollment. This is as expected, however, since by high school, accrued repetition in the lower grades causes many students to be over-age and thus excluded from net enrollment statistics despite their presence in school.

Transition rates for grades 1 through 8 have been calculated by the Ministry of Education (see table that follows).<sup>3</sup>

Transition Rate - Grades 1-8 Ministry of Education Data	
School Year	Transition Rate
SY 2004-05	93.0%
SY 2005-06	82.5%
SY 2006-07	98.8%
SY 2007-08	89.1%

The reason for the wide fluctuation from one school year to the next has not been fully explained. Again, small populations and frequent movement of students between schools and between Palau and offisland school jurisdictions make interpretation difficult.

**A**dult literacy: Palau does not have data to directly measure adult literacy levels but rather estimates literacy based on school participation. Adults who have not completed at least four years of formal schooling are presumed to be illiterate. Published census tables provide estimates of adult literacy for citizens 18 years and over while the Office of Planning and

<sup>3</sup> Transition rate refers to the proportion of students who enter grade one and complete grade eight, eight years later.

Statistics has estimated literacy rates for residents (citizens and non-citizens) ages 15-24 based on unpublished census tables (see table following). As shown, Palau has achieved virtually universal literacy among younger adults (ages 15-24) with virtually no gender differential.

Literacy Rates			
Citizens Aged 18 Years and Older <i>Published Census Tables</i>			
	Male	Female	Total
1995	94.3%	87.2%	90.8%
2000	96.4%	89.1%	91.8%
2005	95.5%	91.7%	93.7%
Residents (Citizens & Non-Citizens) Ages 15-24 <i>Based on unpublished census tables analyzed by the Office of Planning &amp; Statistics</i>			
2000	98.8%	99.3%	99.0%
2005	99.6%	99.8%	99.7%
<i>Source: Data supplied by the Ministry of Education based on unpublished census data analyzed by the Office of Planning and Statistics.</i>			

**F**uture directions: Every child (boy and girl, citizen and non-citizen) resident in Palau has access to twelve years of free public education. The focus locally is on improving quality of in-struction and enhancing efficiency by consolidating very small schools while continuing to reduce drop-out and repetition rates. Although drop-outs are generally considered to be a more serious problem at the high school level than at primary school levels, statistics suggest a decline in primary school participation over the past three school years. While this decline may be an artifact of reporting, further investigation is required to identify trends and ensure that all children are indeed taking advantage of the educational opportunities open to them.





## MDG 3 : Promote gender equality and empower women

**I**ntroduction: Palau is a matriarchal and matrilineal society in which women have traditionally held positions of power and respect in a spirit of equality with their male counterparts. Although the roles and responsibilities of women and men differ, these are not the differences of a dominant-subordinate relationship but rather a duality in which the success of each gender depends on support and assistance provided by the other.

In contemporary society, Palauan women enjoy higher levels of education and better health than

their male counterparts. While less likely to participate in the formal labor force than men, when employed, women earn, on the average, significantly more than men. Women are guaranteed equality under the Palau Constitution and have assumed an active role in economic and social life. In public service, women dominate the Judicial Branch of government and are well represented on public sector boards and commissions. They remain under-represented, however, in the national congress (the Olkeriil Era Kelulau), the cabinet, and the top echelon of the civil service.

### Indicators at a Glance – Gender Equality

Indicator	1990	1995	2000	2005	Source
<b>Target 1: Eliminate gender disparity at all levels of education .</b>					
Ratio of girls to boys in primary school	n.a.	n.a.	0.91	0.91	MOE
Ratio of girls to boys in secondary (high) school	n.a.	n.a.	0.98	1.23	MOE
Ratio of women to men in tertiary education	n.a.	n.a.	n.a.	n.a.	---
Population-adjusted ratio of women to men with post-secondary education ( <i>ethnic Palauans 25+ years of age with at least some college education adjusted for the proportion of females-to-males in the population</i> )	0.75	0.86	0.98	1.11	Census
<b>Target 2: Promote Gender Equality and Empower Women.</b>					
Life expectancy at birth – male	63.4	67.0	66.6	66.3	OPS
Life expectancy at birth - female	75.0	76.9	74.5	72.1	
Ratio of women to men in wage employment ( <i>ethnic Palauans 16 years of age and over</i> )	0.71	0.75	0.77	0.77	Census
Seats in the national congress held by women ( <i>% of total seats</i> )	0.0%	0.0%	3.3%	0.0%	OEK

**Target 1:** Eliminate gender disparity at all levels of education – primary, secondary, and tertiary.

Girls and boys enjoy equitable access to schooling from preschool through to post-secondary levels. The female-to-male enrollment ratio at the primary level has remained stable for many years (average ratio 0.92) while the enrollment of females in secondary schools has steadily increased and since 2000 has surpassed that of males. In school, female students generally out-perform male students. Male students are three times more likely to drop-out of school than females, two times more likely to withdraw from school, and more likely to repeat one or more grades (MOE, 2005).

Gender disaggregated enrollment data are unavailable for tertiary education. Census data, however, provide gender-disaggregated data relating to educational attainment. At post-secondary levels, Palauan women have made steady gains and since 2000 have surpassed males in post-secondary attainment except at post-baccalaureate levels although

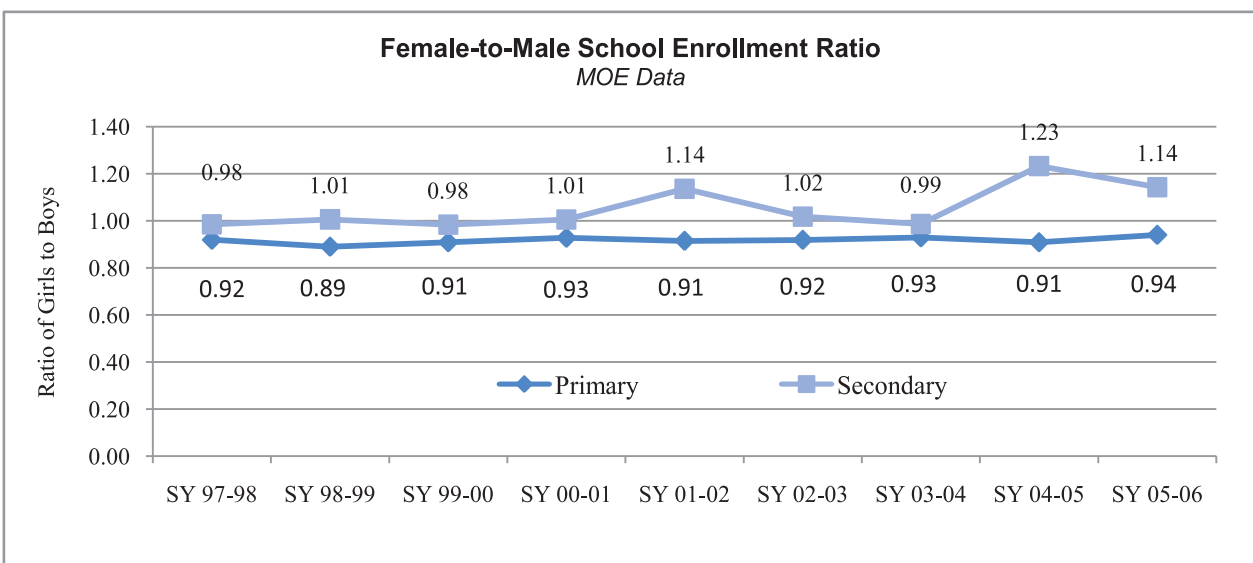
even here, they are rapidly approaching parity (see figure on page following)

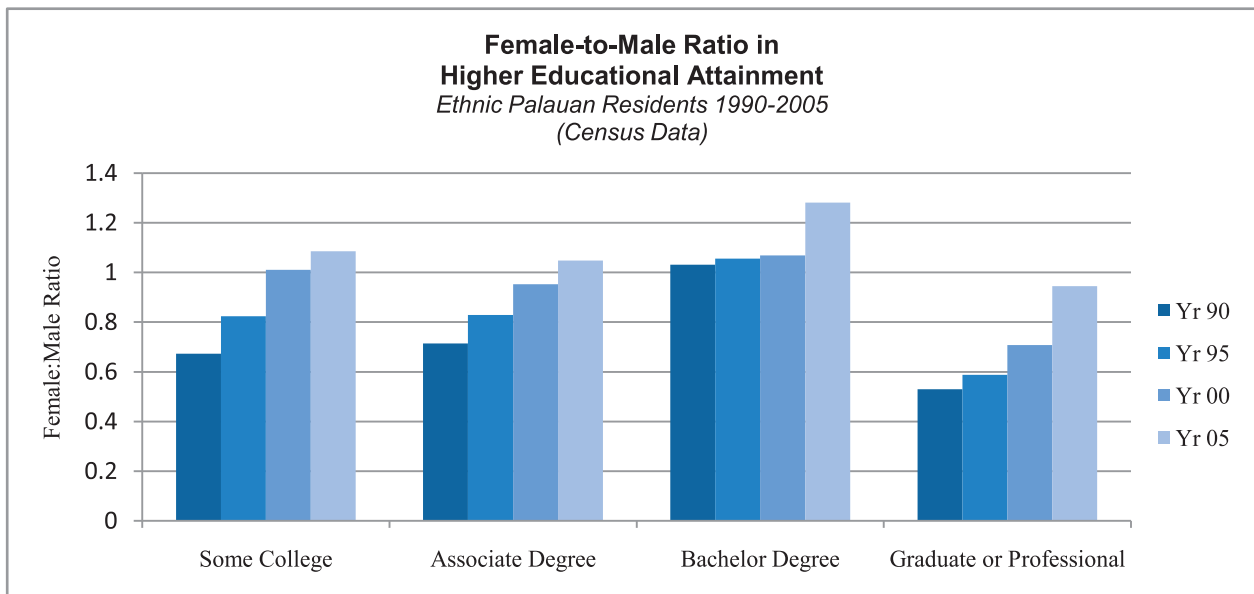
**Target 2:** Promote gender equality and empower women in economic, political and all other spheres of life.

**Legal standing:** The Palau Constitution and Title 1 of the Palau National Code guarantee women equality under the law.

*Every person shall be equal under the law and shall be entitled to equal protection. The government shall take no action to discriminate against any person on the basis of SEX, race, place of origin, language, religion or belief, social status or clan affiliation, except for the preferential treatment of citizens .... (Palau National Constitution, Section IV.5, emphasis added).*

*No laws shall be enacted ... which discriminate against any person on account of race, SEX, language, or religion, nor shall the equal protection of the law be denied (1 PNC 407, emphasis added).*





Despite the constitutional protections, in a recent review, two laws have been identified that discriminate against married women – one with respect to rape and the other with respect to inheritance.

*Every person who shall unlawfully have sexual intercourse with a female, NOT HIS WIFE, by force or against her will, shall be guilty of rape, and upon conviction thereof shall be imprisoned for a period of not more than 25 years (17 PNC 2802, emphasis added).*

*In the absence (of a will) ... lands held in fee simple ... shall, upon the death of the owner, be inherited by the owner's oldest legitimate living male child of sound mind, natural or adopted, or if male heirs are lacking, the oldest legitimate living female child... (25 PNC 301).*

In the first instance, the law does not extend to married women the same level of protection against coerced sex as it extends to an unmarried woman. In the second, the law discriminates against a wife whose rights to inherit property acquired during a marriage are not recognized. It also discriminates against

female children whose rights to inherit are recognized only in the absence of male children (*UNICEF, Symposium on Children, Youth, and Women, 2008*).

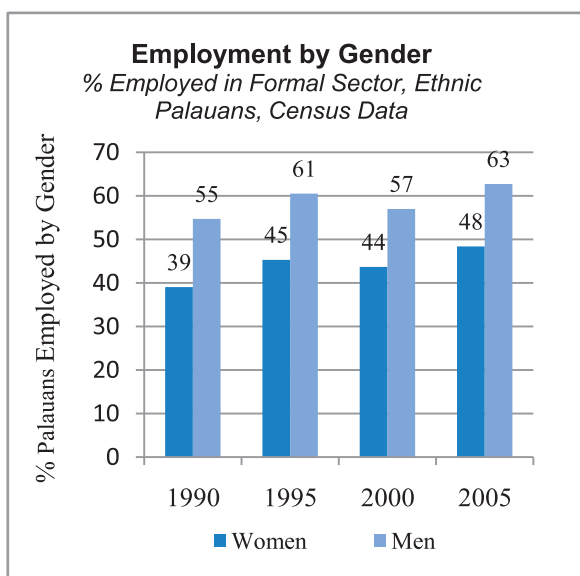
Despite women's high social status and generally favorable social and economic situation, Palau has not yet ratified CEDAW (International Convention on the Elimination of All Forms of Discrimination Against Women). After many years of protracted debate, a resolution to ratify CEDAW was approved by the Senate in 2008 but has not been approved by the House of Delegates. While there are several reasons for lack of action on CEDAW, the underlying issue is that Palauan women have, as yet, not spoken with a unified voice in favor of ratification.

**H** *ealth*: Life expectancy projections (2005 census) suggest that Palauan women enjoy better health than Palauan men.

Female life expectancy	72.1 years
Male life expectancy	66.3 years

**E** *conomy*: In economic life, Palau women have achieved significant success as evidenced by their ownership of many small and

medium-sized businesses. While Palauan women are less likely to be employed than men, those who are employed, earn more than men. The median income in 2005 of legal residents employed full-time was \$8,417 (males) and \$9,740 (females) (Census, 2005).

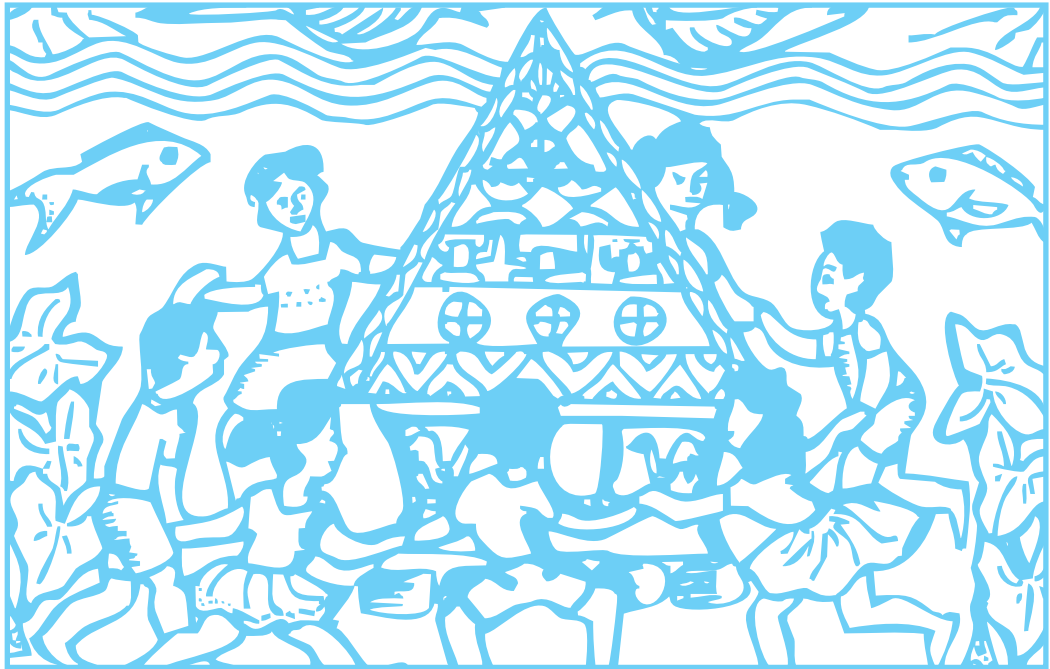


**P**ublic life: In public life, women dominate the Judiciary. Six out of nine judicial positions are currently held by women. Women have generally achieved equity in membership on public boards and commissions and have held a number of elected posts within state governments. At present, two (out of sixteen) states are headed by women governors. Women, however, have yet to achieve equity in elected and appointed offices at the national level. Since the advent of constitutional government in 1980, only two women have held seats in the national congress, two women have held a total of three ministerial portfolios, and only one woman has served as an Ambassador. In the senior echelons of the civil service, only one bureau director at present is a woman (2007-2008).

**F**uture directions: Although Palau has not yet achieved gender equality across all spheres of life, the roles of women in modern institutions have steadily expanded. With women now surpassing men in educational performance and attainment, women’s influence in society, business, and government may be expected to grow proportionately although a direct causal link between educational attainment and women’s engagement in public life has not been conclusively demonstrated. While it is unlikely that women will achieve equality with men across all elements of the public domain by 2015, it is reasonable to expect that the number of women occupying appointed and elected office will have increased significantly by that date.<sup>4</sup>

<sup>4</sup> In the 2008 general election, two women were elected to the national Senate.









## MDG 4 : Reduce child mortality

**I**ntroduction: Palau's compact geography, progressively improving transportation and communications infrastructure, high level of health expenditure, and well-developed primary health care system combine to make essential health services accessible to virtually the entire population. Public health services, including prenatal, postnatal, wellchild, and immunization services, are provided either free of charge or at highly subsidized rates. As a result of these favorable conditions, there are few barriers to parents accessing high quality, comprehensive health care for their infants and young children.

**Target 1:** Between 1990 and 2015, reduce infant and under-five child mortality by two-thirds.

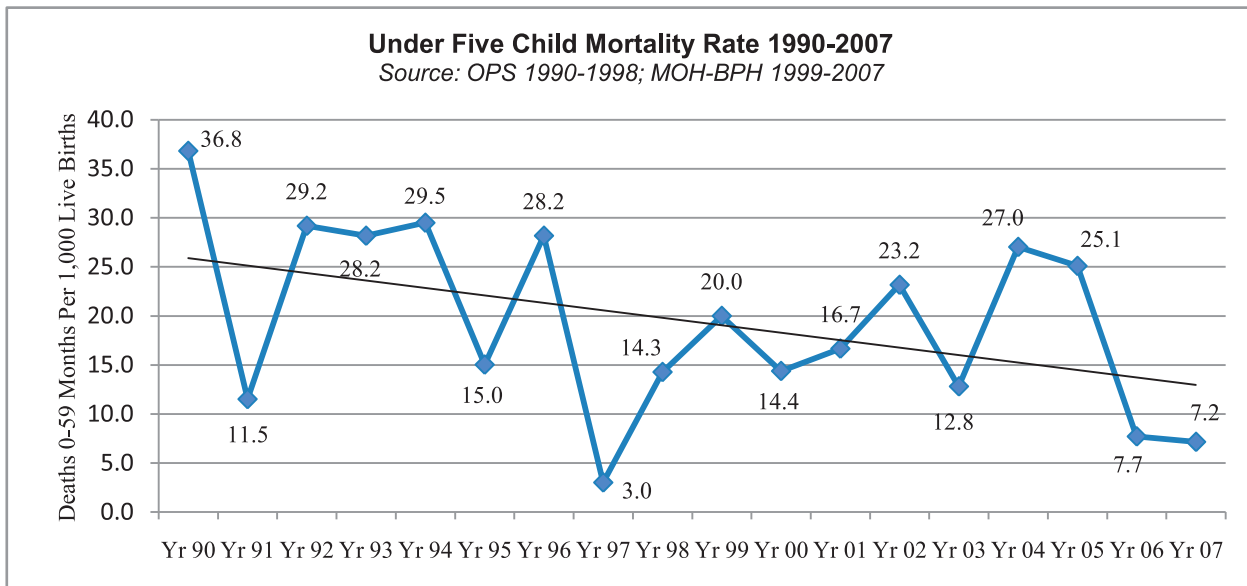
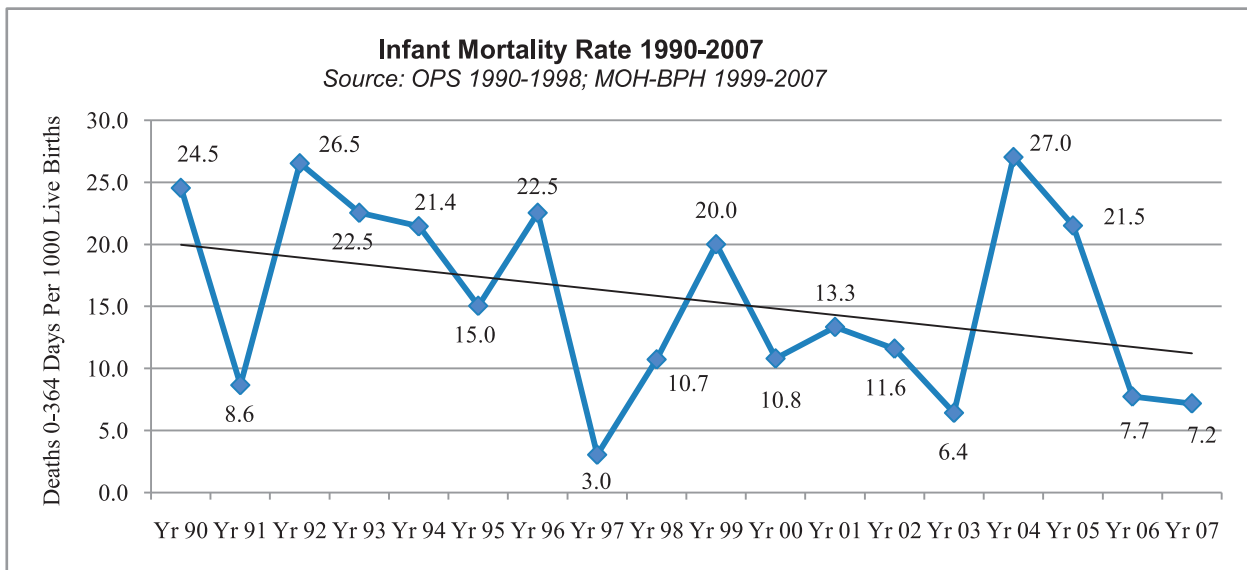
Infant mortality rates have declined over the years – rapidly during the 1970's and 1980's and more slowly subsequently (see mortality graphs on the page following).

Between 1990 and 2000, infant mortality rates dropped by 69 percent (from 24.5 to 7.2 deaths per 1,000 live births). Over the same period, under-five child mortality rates dropped 79 percent (from 36.8 to 7.2 per 1,000 live births). In recent years, virtually all child deaths occur during the first week of life and result from congenital anomalies.

Although Palau's infant and child mortality rates remain somewhat higher than those in many industrialized countries, health officials believe there is little scope for further sustained reduction given the small number of births and substantial investment in technology that would be required to prevent the deaths that do occur. Instead of investing in curative technology, the Ministry of Health prefers to invest in public health measures that prevent adverse birth outcomes by promoting healthy lifestyles for women and healthy childbearing (right time, right number, and right care).

### Indicators at a Glance – Child Mortality

Indicator	1990	1995	2000	2007	Source
<b>Target 1: Between 1990 and 2015, reduce under-five mortality by two-thirds</b>					
Infant mortality rate ( <i>deaths among infants under one year of age per 1,000 live births</i> )	24.5	15.0	10.8	7.2	OPS MOH
Under 5 mortality rate ( <i>deaths among children 0-59 months of age per 1,000 live births</i> )	36.8	15.0	14.4	7.2	OPS MOH
Two year old children (%) immunized against measles	78.0%	99.6%	90.5%	85.5%	MOH



**Target 2:** (Two year old) children immunized against measles. *(Note that this target has been modified by Palau).*

Because early childhood immunization requires a well-organized primary health care system, a population receptive to seeking and receiving health services, and repeated contacts between health workers and children over the first months of life when children are most vulnerable to illness and death, immunization levels have been

identified by UNICEF and WHO as key indicators of the quality of child health services. Because measles vaccine is the last vaccine administered in the primary infant-toddler series, measles coverage is a particularly sensitive indicator of service quality, access, and continuity. For these reasons, measles vaccination levels have been selected as an MDG indicator.

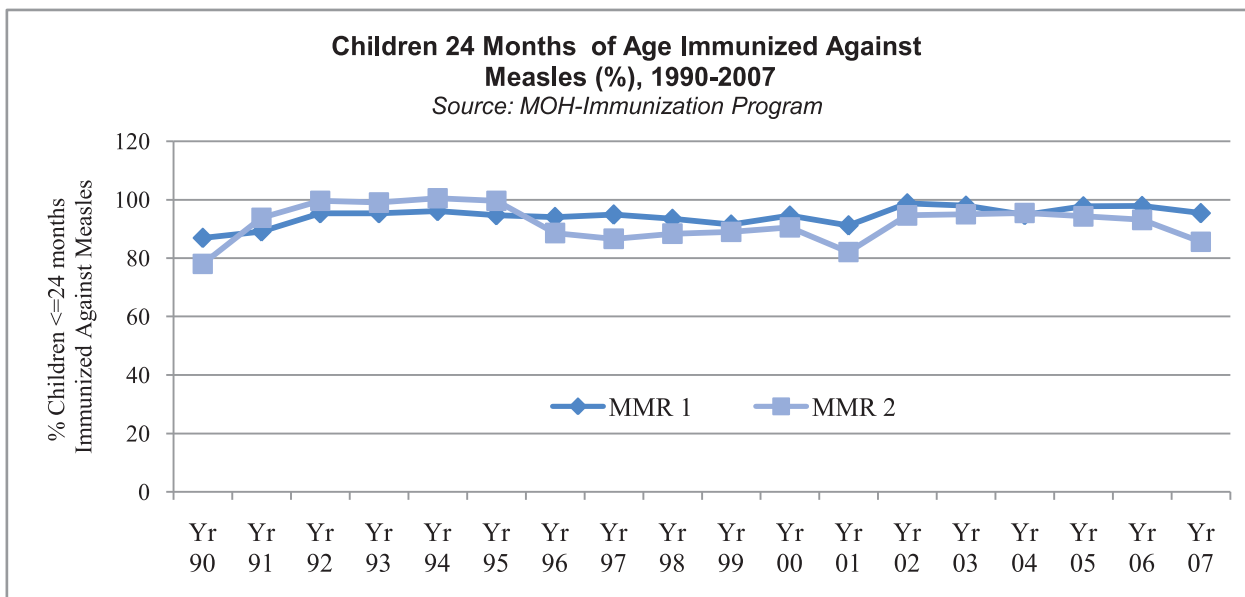
Palau routinely immunizes infants against nine diseases (measles, mumps, rubella, polio, diphtheria, tetanus, pertussis, haemophilus

influenza, and Hepatitis B). Beginning in 2008, Palau will introduce vaccination against human papillomavirus (HPB), the virus that causes many cervical cancers. This vaccine, however, will be administered to school-aged girls, not to infants.

The immunization statistic that the Palau Ministry of Health routinely monitors is “children fully immunized by 36 months of age.” This figure typically ranges between 95 and 98 percent. The global MDG indicator, however, is “proportion of one-year old children immunized against measles.” This indicator must be modified for Palau because Palau uses a combined MMR (measles, mumps, rubella) vaccine and follows U.S. immunization protocols in which MMR is administered in two doses during the second year of life. Protocols preclude administering measles (MMR) vaccine to children younger than 12 months.

Immunization statistics are presented in the graph below. The twenty-seven year average measles immunization rate at 24 months of age is 94 percent (first dose) and 91 percent (second dose). Rates have remained high throughout the monitoring period with no trends evident.

*Future prospects:* Over the 1990 to 2007 period, Palau has succeeded in reducing infant and child mortality rates by more than the global target of two-thirds. Given Palau’s good public health infrastructure, demonstrated ability to control communicable diseases, and overall favorable health status, it is expected that mortality rates will remain low in future years although some year-to-year fluctuations in rates will occur given the small number of births. It is unlikely, however, that infant and child mortality rates will decline further on a sustained basis.







## MDG 5 : Improve maternal health

Palauan women enjoy good access to health services and overall good health as evidenced by their moderate fertility rates, low maternal mortality rates, and long life expectancy.

**Target 1:** Between 1990 and 2015, reduce maternal mortality by two-thirds.

In the past twenty-seven years there has been only one maternal death (occurring in 1993). This favorable situation results from the overall good health of reproductive-aged women together with universal access to prenatal and obstetric services made available by government at low or no cost. Since 1990, all deliveries have occurred in health facilities under the supervision of skilled personnel (nurses, midwives, or physicians).

Despite this impressive track record, however, health officials report that pregnancies classified as high risk are increasing due to increasing levels of maternal obesity and prevalence of obesity-related non-communicable diseases even among younger women. While complications of pregnancy are not among the global indicators of maternal health, they are indicators that the Palau Ministry of Health has begun to monitor.

Virtually all births (99-100 percent) are preceded by at least one antenatal visit and most are preceded by four or more visits. It is rare for a woman to present for delivery who has not been previously seen in an antenatal clinic. The Palau maternal and child health program, however, focuses on optimizing antenatal care by encouraging early and continuous care. The MOH

### Indicators at a Glance – Maternal Health

Indicator	1990	1995	2000	2007	Source
<b>Target 1: Between 1990 and 2015, reduce maternal mortality by three-quarters.</b>					
Maternal mortality ratio ( <i>maternal deaths per 100,000 live births</i> )	0.0	0.0	0.0	0.0	OPS MOH
Births (%) attended by skilled personnel	100%	100%	100%	100%	MOH
Births (%) preceded by at least one antenatal visit	n.a.	n.a.	n.a.	100%	MOH
Births (%) preceded by at least 4 antenatal visits	n.a.	n.a.	n.a.	88%	MOH
<b>Target 2: By 2015, achieve universal access to reproductive health services.</b>					
Adolescent birth rate ( <i>births to women 15-19 years of age per 1,000 women aged 15-19</i> )	n.a.	n.a.	24.8	17.7	MOH
Contraceptive prevalence rate ( <i>women 15-49 years of age using modern family planning methods</i> )	n.a.	n.a.	n.a.	21%	MOH
Sexually active women not using contraception who report not wanting children at this time ( <i>unmet need for family planning</i> )	n.a.	n.a.	n.a.	n.a.	MOH

<b>Kotelchuck Index, 2006</b> (Measuring the Adequacy of Prenatal Care)					
	Percent of Prenatal Visits Compared to Recommendations				
Initiation of Prenatal Visits	Under 50%	50-79%	80-109%	110%+	Row Total
7-9 month	29	9	9	5	52
5-6 month	15	26	7	12	60
3-4 month	12	31	32	6	81
1-2 month	5	27	30	4	66
Total	61	93	78	27	259
	Inadequate – Care began after 4 <sup>th</sup> month or less than 50% of recommended visits.				
	Intermediate – Care began by the 4 <sup>th</sup> month; 50-79% of recommended visits.				
	Adequate – Care began by 4 <sup>th</sup> month; 80-110% of recommended visits				
	Adequate Plus – Care began by 4 <sup>th</sup> month; 110% or more of recommended visits				
<i>Source: Watson, Berry Moon. Healthy Palau Annual Report, 2006 (page 17).</i>					

monitors the adequacy of antenatal care using the Kotelchuck Index that combines measures of the gestational month in which care was initiated with risk-adjusted number of visits recommended over the course of the pregnancy. The Kotelchuck Index for 2006 (table above) shows that half of deliveries were not preceded by adequate care while only 28 percent of deliveries were preceded by adequate or excellent care.

**Target 2:** By 2015, achieve universal access to reproductive health services.

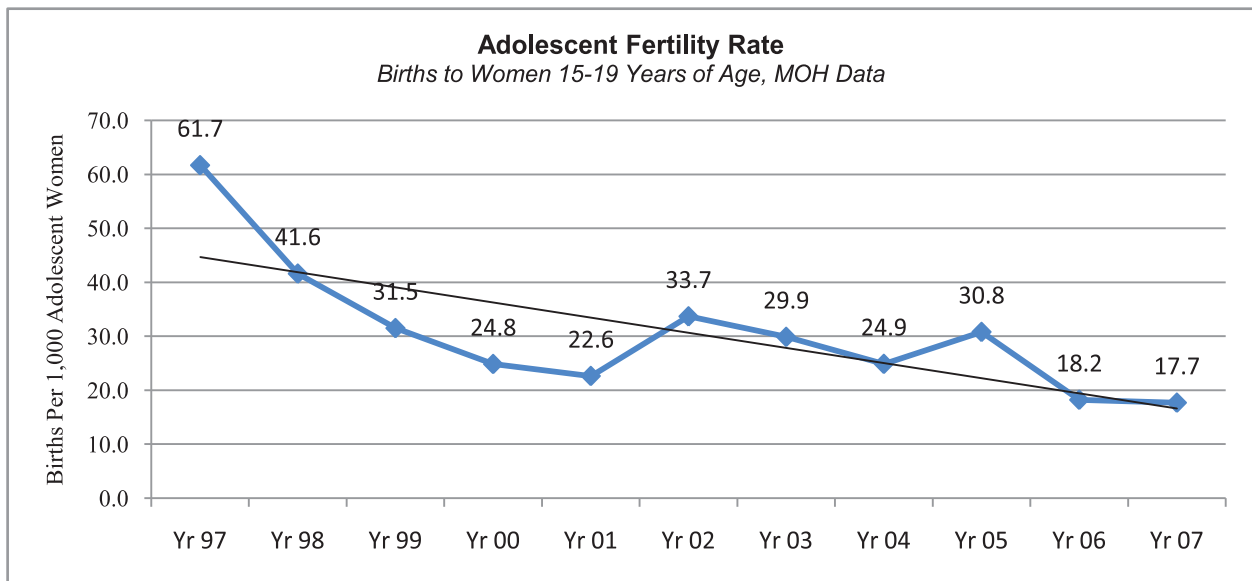
Completed fertility rates for ethnic Palauan women have declined from 4.6 children per woman (1990) to 3.0 children per woman (2005, census data). These rates are higher than those for many industrialized countries but low in

comparison to many developing countries, including neighboring countries of Oceania.

In the 1970's and 1980's, teen pregnancy was a significant public health issue for Palau. Subsequently, aggressive reproductive health education targeting teens, expanded counseling and contraceptive services, and social change (especially wider education and career opportunities for girls and women) have resulted in declining teen fertility especially high-risk younger teens (under the age of 17). In recent years, most births to teen mothers occur in the later teen years (ages 18-19 years) when the adverse health and social effects of early pregnancy are less serious (*Ministry of Health, 2008*).

All women in Palau have access to reproductive health services – family planning, prenatal, delivery, and postnatal, and cancer screening





services – at little or no cost to the patient. Not all women, however, make optimal use of the available services.

Modern contraceptives are available through the national family planning clinic and community health centers. Outside of health clinics, male condoms are widely available and female condoms are available albeit only in a small number of locations. Although data are unavailable to monitor the MDG indicator for contraceptive prevalence precisely as stated, “women aged 15-49 married or in union, using a modern method of contraception,” data are available for 2006 and 2007 using a less rigorous indicator,<sup>5</sup> “women aged 15-49 using contraceptives prescribed through the Ministry of Health’s Family Planning Clinic.”

2006	21.9%
2007	19.9%

<sup>5</sup> Although data on family planning clinic encounters has been compiled for many years, it was only in 2006 that the Ministry of Health began to compile an unduplicated count of contraceptive acceptors distinct from a count of clinic users.

While this indicator undoubtedly underestimates contraceptive prevalence since some women obtain services from non-government providers or use non-prescription methods, health officials believe the error is modest given that the Ministry of Health is the family planning provider of choice for most women.

Completed Fertility Rate		
<i>Women 45-49 Years of Age, Census Data</i>		
	Ethnic Palauan Women	Resident Non-Palau Women
Year 1990	4.6	3.4
Year 1995	3.8	2.3
Year 2000	3.4	1.5
Year 2005	3.0	2.5

Despite availability, accessibility, and affordability of contraceptives, the contraceptive prevalence rate is low and seemingly at variance with the moderate and declining fertility rates. National survey data from 2003 confirm the low level of contraceptive prevalence. Of 594 adult female respondents, only 28 percent reported

ever using a contraceptive of any kind (prescription or non-prescription) while only 22 percent reported current use (*OPS and RARE, 2003*). These data suggest there may be factors other than contraceptive use that act to depress fertility among Palauan women. Health officials who have studied the issue have, as yet, not found a plausible explanation (*Ministry of Health – Family Health Unit, 2008, personal communications*). Note should be made that abortion is illegal in Palau and there are no indications that illegal or off-island abortions contribute significantly to depressed fertility.

Although data are unavailable to assess the unmet need for family planning services using the international MDG indicator, there are indications that an unmet need for family planning services does exist. In a survey of pregnant or recently delivered women conducted in 2005-2006, 33 percent of women reported their pregnancy had been unplanned. Additionally, 23 percent of women reported they had been using a contraceptive at the time they became pregnant (*MOH, 2006*). This suggests an unusually high rate of contraceptive failure which may indicate that women are not using contraceptives correctly.

**F**uture directions: Palau has surpassed the MDG targets for antenatal care, professional attendance at delivery, and reduced maternal mortality. Palau has also achieved universal access to reproductive health services. Further improvements are still needed to reduce adolescent fertility, improve the timeliness and continuity of antenatal care, and address the apparent unmet need for family planning.

An adolescent health initiative has recently been launched which combines the resources of the Ministries of Health and Education to better meet the health – including reproductive health - needs of teens. School health clinics have been established at Palau High School and Palau Community College and regular health outreach, including counseling services, are made available in all schools. Peer counseling and youth-to-youth outreach initiatives are also underway to carry the messages of abstinence, safe sex, and sexual responsibility to young people both in and out of school.







## MDG 6 : Combat HIV and AIDS, malaria, and other diseases

**I**ntroduction: MDG 6 targets malaria, tuberculosis, and HIV and AIDS. Under the banner of “other diseases,” the goal also allows countries flexibility to incorporate other national health priorities as part of their national MDG initiatives. Because the Anopheles mosquito that carries malaria is not found in

Palau, malaria-related targets and indicators are not relevant and have been omitted from this report. The focus of this chapter for Palau is HIV and AIDS, tuberculosis, diabetes mellitus, and other cardiovascular diseases. These latter two “lifestyle” diseases are now at epidemic levels in Palau.

### Indicators at a Glance – HIV/AIDS, Malaria, and Other Diseases

Indicator	1990	1995	2000	2007	Source
<b>Target 1: By 2015, halt and begin to reverse the spread of HIV and AIDS</b>					
HIV and AIDS incidence ( <i>actual count of new cases identified during the year</i> )	0	0	1	0	MOH
HIV/AIDS prevalence ( <i>total number of residents living with HIV/AIDS</i> )	0	1	3	3	MOH
HIV prevalence ( <i>cases per 100,000 population</i> )	0.0	5.8	15.7	14.6	MOH
Condom use at last high risk intercourse ( <i>Palau High School students only</i> )	n.a.	n.a.	35.8%	49.4%	YRBS
Youth reporting they received education about HIV and AIDS in school ( <i>Palau High School students only</i> )	n.a.	n.a.	70.0%	78.8%	YRBS
Population with advanced HIV infection having access to antiretroviral drugs.	----	100%	100%	100%	MOH
<b>Target 2: By 2015 halt and begin to reverse the incidence of tuberculosis</b>					
Incidence of tuberculosis ( <i>new cases indentified during the year</i> )	n.a.	19	15	11	MOH
Incidence rate ( <i>new cases per 100,000 population</i> )	n.a.	110.3	78.4	53.4	MOH
Deaths due to tuberculosis ( <i>actual count</i> )	n.a.	n.a.	n.a.	0	MOH
Tuberculosis cases (%) treated with DOTS ( <i>Directly Observed Therapy Short Course</i> )	n.a.	n.a.	n.a.	100%	MOH
<b>Target 3: By 2015 halt and begin to reverse the prevalence of non-communicable diseases</b>					
Patients on diabetes mellitus registry (2001 and 2007)	n.a.	n.a.	426	740	MOH
Diabetes mellitus prevalence rate (2001 and 2007) ( <i>cases per 1,000 residents</i> )	n.a.	n.a.	22.1	36.0	MOH
Patients on cardiovascular disease registry	n.a.	n.a.	n.a.	512	MOH
Cardiovascular disease prevalence rate ( <i>cases per 1,000 residents</i> )	n.a.	n.a.	n.a.	24.9	MOH

**Targets 1 & 2:** By 2015, halt and begin to reverse the spread of HIV and AIDS; make antiretroviral therapy widely available to persons with advanced HIV infection.

HIV and AIDS testing and surveillance were initiated in Palau in 1989. The first AIDS case was identified in 1993. Between 1993 and 1999, a total of two cases were identified, both late-stage AIDS infections acquired abroad. In 2000, the first locally-acquired HIV infection was detected followed by a second case identified through contact tracing. In 2004, another late-stage AIDS case was detected with two more cases were found through contact tracing. In all, a total of 7 cases have been identified, all among ethnic Palauans and four of the seven occurring among males. Three of these patients are currently living. Three cases yields an HIV prevalence rate of 14.6 cases per 100,000 population (2007).

The HIV pattern in Palau is classified by WHO as a “concentrated/low-level” epidemic meaning HIV is not well established in the general population and fewer than 1 percent of antenatal patients test positive (Gold, 2008). All locally acquired cases have resulted from heterosexual transmission which is expected to remain the

dominant mode of transmission in Palau. Palau’s HIV and AIDS program focuses on awareness, education, screening, and prevention (marketing of abstinence and/or safer sex). There is an aggressive outreach and education program targeting youth that includes a network of trained peer mentors. A drama team carries awareness messages to communities and the media is used to reach the general population.

Free, confidential testing services are available at Belau National Hospital. While mandatory for blood donors, testing is strongly encouraged for pregnant women, STD clinic patients, prisoners, and others considered as being at risk. For persons testing positive for HIV, anti-retroviral therapy is available at no cost to the patient through a U.S. Federal Grant (the Ryan White CARE Act). Of Palau’s seven patients to-date, only one has accepted anti-retroviral therapy. Palau has had only one pregnant woman to test positive for HIV. Because of anti-retroviral drug therapy, her baby was born free of HIV infection (*HIV-AIDS Program, 2006 & 2007, personal communications*).

**Y**outh and HIV/AIDS: Palau does not have data on the HIV/AIDS-related knowledge and behavior of youth ages 15-24 as specified by global MDG indicators. Sentinel data

### HIV-AIDS Knowledge and Practices – Palau High School Students

*Excerpts from the YRBS Survey Series (MOH and MOE)*

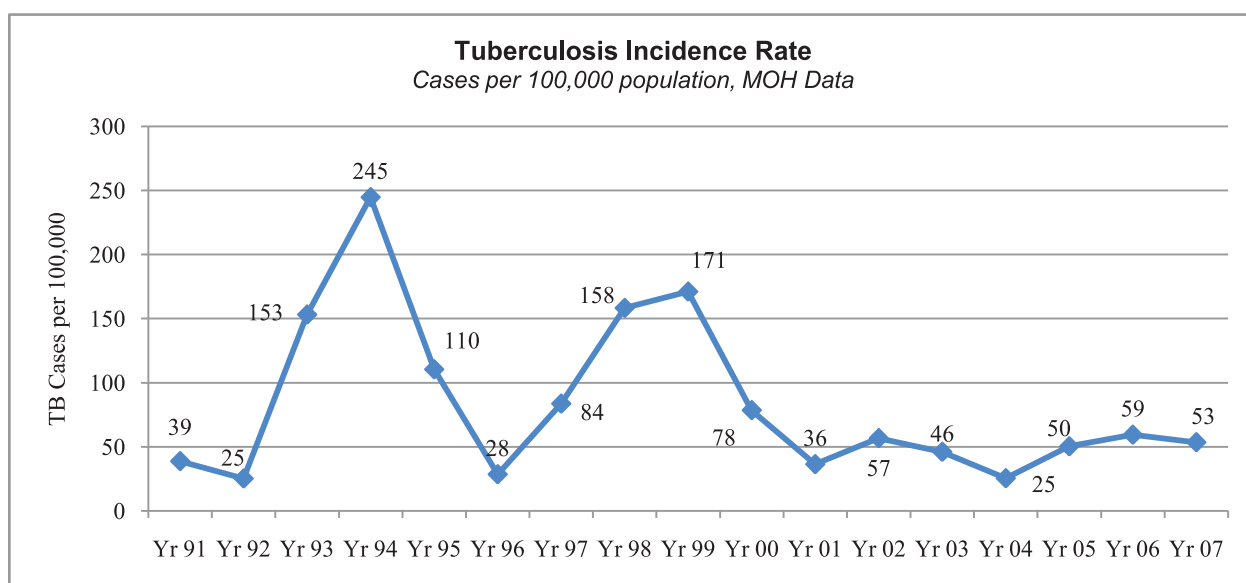
	1999	2001	2003	2005	2007
Students who report ever having sexual intercourse	45.4	47.6	41.6	43.8	39.4
Students reporting sexual intercourse before age 13	9.9	11.8	7.7	5.0	9.5
Students reporting lifetime sexual intercourse with 4 or more people	18.9	20.1	17.2	13.3	16.9
Students reporting sexual intercourse in past 3 months	31.4	30.9	28.5	27.8	27.3
Students reporting condom use at last intercourse (as % of students who reported sex in the preceding three months)	51.9	35.8	44.6	52.3	49.4
Students who report receiving HIV/AIDS education in school	65.8	70.0	74.3	79.4	78.8

for Palau High School students is available, however, from Youth Risk Behaviors Surveys. The YRBS is a survey series designed by the U.S. Centers for Disease Control and conducted in Palau High School every two years (see table on page preceding). Although there has been a steady increase in students who report exposure to HIV and AIDS education in school (79 percent in 2007 up from 66 percent in 1999), there is little evidence of significant sustained changes in sexual behaviors. In the most recent survey of 2007, almost 40 percent of students reported lifetime sexual intercourse with about 30 percent active at the time of the survey. Of these currently active students, slightly less than half reported condom use at their most recent sexual encounter (*MOH-MOE, YRBS, 2007*).

**C**ommunity and HIV/AIDS: In 2005-2006, the Ministry of Health conducted a “Second Generation Surveillance” survey among antenatal clients, police officers, and men-who-have-sex-with-men. Over 90 percent of antenatal and police respondents reported exposure to HIV/AIDS prevention education. Although most respondents knew two or more

ways to prevent HIV infection, there remained several lingering misconceptions. A significant number of respondents believed HIV infection can be transmitted by mosquitoes; there were misconceptions about mother-to-child transmission; and over one-third of police respondents expressed reluctance to socialize with HIV-infected persons. Nine percent of women and 32 percent of men reported multiple sexual partners but of those having multiple partners, none of the women and only 20 percent of the men reported consistent condom use. These figures do not differ significantly from an earlier (1990) Health Risk Behaviors Survey by the Ministry of Health.

The YRBS and the Second-Generation surveys demonstrate that Palau health authorities, together with their community counterparts, have been very successful in disseminating basic information about HIV/AIDS to both youth and the general population. Unfortunately, this information does not appear to have resulted in the de-sired widespread and sustained behavioral change rendering Palau vulnerable to increasing rates of infection in future years.



**Target 3:** By 2015, halt and begin to reverse the incidence of tuberculosis.

Tuberculosis incidence rates (cases per 100,000 persons) are shown on the preceding page for 1990-2007. Although rates fluctuate from one year to the next, an artifact of the small population, a clear downward trend is evident. Deaths from tuberculosis are rare. The only confirmed tuberculosis death in recent years occurred in 2006. Multidrug resistant cases are also rare; two cases were reported in 1998, both Filipinos who returned to the Philippines for treatment.

DOTS (Directly Observed Therapy Short-Course) was introduced in 1998. Between 1998 and 2004, DOTS was used for patients able to come to the hospital daily for medication. From 2004 onward, nurses have made daily home visits to patients so that 100% of cases are now treated using DOTS.

**Target 4.** By 2015, halt and begun to reverse the non-communicable disease epidemic.

Palau has done an exemplary job in managing communicable diseases but faces an everwidening epidemic of non-communicable diseases that undermine economic productivity and quality of life while draining health resources. Today, eight of the ten leading causes of death are non-communicable diseases (see table above).

Cardiovascular diseases<sup>6</sup> and diabetes mellitus

<sup>6</sup> Hypertension is the most common cardiovascular disease involving 98 percent of registered cases.

Leading Causes of Death, 1999-2006 Ministry of Health Data	
Disease	Cases
Cancer	180
Heart Disease	138
Injury	114
Cerebrovascular Diseases	92
Natural causes unknown	54
Septicemia	46
Cirrhosis/liver disease/alcohol abuse	41
Diabetes	40
Chronic obstructive pulmonary disease	40
Kidney disease/renal failure	39

are underlying conditions that precipitate many of these deaths. A 2003 community health survey found 18.8 percent of adults surveyed to have elevated blood pressure and 9.9 percent to have elevated blood glucose.<sup>7</sup> The actual number of confirmed cases based on national disease registries (2007) is shown in the table.

Registered Cases of Cardiovascular Diseases and Diabetes Mellitus		
	Registered Cases	Cases Per 1,000 Persons
Cardiovascular Diseases	512	24.9
Diabetes Mellitus	740	37.2
<i>Case data provided by MOH; prevalence rates are based on an estimated 2007 population of 20,581.</i>		

<sup>7</sup> Elevated blood pressure or blood sugar found during community screening does not in itself constitute a diagnosis of hypertension or diabetes. Persons identified with elevated levels are referred for more comprehensive screening in a health facility. Hence the number of confirmed cases (and resulting prevalence rates) based on the national disease registries differs from reports based on screening results.



While genetics can predispose individuals and populations to non-communicable diseases, it is health-related behaviors that most often trigger the onset of disease. The Palau Ministry of Health has identified four behavioral risk factors that contribute significantly to Palau's non-communicable disease prevalence.

- Obesity (affects 62 percent of adult females and 58 percent of adult males);
- Sedentary lifestyles (55 percent of adults do not engage in significant physical activity);
- Tobacco use (especially in association with betel nut);
- Alcohol abuse (especially binge drinking by males that is causal for injuries).

*Future Directions:* The official vision statement of the Ministry of Health is "Healthy Palau in a Healthful Environment." The over-arching strategy for achieving this vision is encapsulated in the slogan – "making healthy choices the only choices." With this vision and strategy, Palau health authorities have embraced a health (as opposed to medical) model

of development grounded in ecological theory. In practice this means that in addition to educating people about healthy lifestyles and encouraging regular health screening, the Ministry of Health works in partnership with communities and policy makers to design health-promoting environments and policies. Accordingly, the Bureau of Public Health has identified eight priorities for action over the next five years:

- Health-promoting workplaces
- Obesity
- Alcohol abuse
- Tobacco use
- Injury and violence
- Depression
- Emerging and re-emerging infections
- Immunization.

Quite a number of initiatives are underway to address each of these issues. Health officials are cautiously optimistic that the number of new cases of hypertension and diabetes will begin to level-off over the medium-term and that the total caseload will decline over the longer-term.





## MDG 7 : Environmental sustainability

**I**ntroduction: Located at the convergence of three major ocean currents that carry larvae and nutrients from afar, Palau is best known for its marine biodiversity that includes 1,500 species of reef fish and over 300 species of scleractinian corals. Palau's terrestrial environment, while less renowned, is equally rich in biodiversity. Palau's largely undisturbed forests are home to a host of endemic species - 200 plants, 200 terrestrial gastropods, 500 insects, 16 birds, 12 amphibians and reptiles, two freshwater fish, and two species of bat (OERC, 2004).

Over generations of close interaction with nature, Palauans have developed vast knowledge about their ecological resources and have created a complex social system that acts to conserve resources. An important responsibility of traditional chiefs and their female counterparts – customarily and today – is to promote “*omengereomei*” (literal translation “wise use” but incorporating the concept of sustainability). In contemporary Palau, environmental sustainability requires close partnership between the national government, state governments, traditional leaders, non-government organizations, the private sector and ordinary citizens.

**Target 1:** Integrate the principles of sustainable development into country policies and programs; reverse the loss of environmental resources.

Since independence, the Palau Government has given high priority to environmental sustainability with the goal of integrating the three pillars of sustainable development – economy,

environment, and society-culture. Landmark national environmental legislation includes:

- Environmental Quality Protection Act (1983);
- Endangered Species Act (1975);
- Marine Protection Act (1994);
- Protected Areas Network Act (2003).

In addition to promoting environmental sustainability at home, Palau has been an active proponent of sustainability in the regional and global arenas. A partial list of environmental treaties and conventions that Palau has ratified or otherwise become party to are listed below together with the date of ratification or accession.

- Pacific Islands Forum Fisheries Agency Convention (Regional agreement, 1986);
- Law of the Sea (1996);
- Convention to Ban the Importation into the Pacific Island Forum Countries of Hazardous Wastes and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the Pacific Region – (Waigani Convention, 1995);
- Convention to Combat Desertification and Land Degradation (1998);
- Convention on Biological Diversity (1999);
- Framework Convention on Climate Change and Kyoto Protocol (1999);
- Vienna Convention for the Protection of the Ozone Layer and the companion Montreal Protocol on Substances that Deplete the Ozone Layer (2001);
- Stockholm Convention on Persistent Organic Pollutants (2002);
- Cartagena Protocol on Biosafety (2003);
- Ramsar Convention on Wetlands (2003).

**G**reenhouse gases. Palau is an active participant in the global initiative to reduce greenhouse gas emissions. Palau, however, emits only a small volume of greenhouse gases (estimate 248 Gg-CO<sub>2</sub> total or 0.0125 Gg-CO<sub>2</sub> per capita, OERC, 2005). While Palau's two

national communications on climate change identify strategies for further reducing emissions, the priority focus is mitigation measures that will help facilitate adaptation to the now inevitable climate change and accompanying rise in sea levels.

Indicators at a Glance – Environmental Sustainability					
Indicator	1990	1995	2000	2005	Source
<b>Target 1: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.</b>					
CO <sub>2</sub> emissions ( <i>total Gg-CO<sub>2</sub></i> )	n.a.	5.34	65.96	248.02	OERC
CO <sub>2</sub> emissions ( <i>Gg-CO<sub>2</sub> per capita</i> )	n.a.	0.0003	0.003	0.125	OERC
CO <sub>2</sub> emissions per \$1 GDP ( <i>PPP</i> )	n.a.	n.a.	n.a.	n.a.	---
Consumption of ozone depleting substances ( <i>usage per year in ODP metric tons</i> )	n.a.	1.7	70.7	0.2	OERC EQPB
Proportion of fish stocks within safe biological limits	Regional rather than country indicator				
Total water resources used ( <i>million gallons per day</i> )	n.a.	n.a.	n.a.	1.9 m	Public Works; T. Gilham
<b>Target 2: Reduce biodiversity loss; by 2010 achieve a significant reduction in the rate of loss.</b>					
Land area covered by forest	76.3%	n.a.	n.a.	80.5%	PALARIS
Proportion of terrestrial area protected ( <i>estimate</i> )	n.a.	n.a.	n.a.	34.3%	PCS
Proportion of in-shore marine area protected ( <i>estimate</i> )	n/a.	n.a.	n.a.	23.8%	PCS
Species (mammal, bird, higher vascular plants) threatened with extinction	n.a.	n.a.	n.a.	13	MRD OERC
<b>Target 3: By 2015, halve the proportion of people without sustainable access to improved drinking water and basic sanitation</b>					
Proportion of people using improved drinking water sources ( <i>using public water system</i> )	86.8%	92.3%	95.5%	95.7%	Census
Proportion of people using improved sanitation ( <i>sewer system or septic tank</i> )	46.3%	62.9%	77.5%	99.9%	Census
<b>Target 4: By 2020 to have achieved a significant improvement in the lives of slum dwellers</b>					
Urban households (%) lacking improved water ( <i>access to public water system</i> )	1.5%	2.5%	1.3%	1.1%	Census
Urban households (%) lacking access to improved sanitation ( <i>public sewer or private septic tank</i> )	33.4%	26.6%	12.6%	5.6%	Census
Urban households having insufficient living space	n.a.	n.a.	n.a.	n.a.	---
Urban households (%) lacking durable housing ( <i>e.g. having thatched roof on main dwelling</i> )	0.1%	0.9%	0.2%	0.3%	Census
Urban households (%) lacking security of tenure	n.a.	n.a.	n.a.	n.a.	---

**O**zone depletion: Even though Palau uses only a small volume of ozone depleting substances, it has been an active participant in global and regional initiatives to eliminate use by or before 2010. Efforts to reduce use of ozone depleting substances domestically have been generally successful as evidenced by significant reduction in use since 2001 (see table).<sup>8</sup>

Use of Ozone Depleting Substances <i>ODP metric tons, EQPB-OERC</i>			
Year	Volume	Year	Volume
1991	0	2000	70.7
1995	1.7	2001	70.7
1996	1.1	2002	0.2
1997	2.1	2003	1.1
1998	80.4	2004	1.0
1999	114.1	2005	0.2
		2006	0.7

**W**ater resources: Rainfall is Palau's primary source of fresh drinking water producing an estimated 410 billion gallons per year. While groundwater is available, Palau's freshwater lens is thin and produces only 40 billion gallons per year. Together these two fresh water sources yield an estimated 450 billion gallons of renewable water annually (*OERC based on Gonzales, Winzler, and Kelly, 2001*). This volume is supplemented by water catchment tanks maintained by many households.

The Koror-Airai water system serves 77% of Palau's population (15,399 persons in 2005) and is the only improved water system meets

<sup>8</sup> The spike in use of ozone depleting substances for the period 1998-2001 has been attributed to large scale public works projects then underway, in particular construction of the Babeldaob "Compact" Road (*OERC, 2008, personal communications*).

national standards for potable water quality. The system produces an average of 4 million gallons of water per day or 269 gallons per person. This represents extremely high per capita use in large part because it has been estimated that 35-45 percent of water produced is lost during transmission (*Bureau of Public Works, personal communications*). Fourteen smaller water systems provide water of varying quality for eleven of Palau's rural states. These systems pump a combined total of 490,000 gallons per day (118 gallons per capita).

Although it is estimated that Palau uses less than 0.1 percent of its available renewable freshwater resources each year, reducing water use is a national priority. On the one hand, treating and pumping water represents a significant economic expense. On the other hand, Palau is affected by periodic droughts that can be quite severe. Ensuring the integrity of water systems and promoting water conservation during transmission and at the point of use, provides an essential foundation for adaptation to future droughts that are projected to become more frequent and more severe as a result of climate change.

**Target 2:** To reduce biodiversity loss and by 2010, achieve a significant reversal of loss.

Palau has a long tradition of protected areas. Traditionally, an ecosystem or a resource under pressure would be placed under a "bul" (literal translation "prohibition") by the paramount chief(s) for an area. In contemporary times, as the national and state governments have become active partners in environmental stewardship, the tradition of the bul has been adapted to become a powerful tool for conservation. Today,

## Protected Areas in Palau

(compiled by PCS, TNC, Palaris, July 1, 2007) **\*\* NOTE:** Areas are approximate

Name	Ecosystems or species included	State(s)	Year estab.	Size (km2)	Type
Ngaruangel Reserve	Atoll island, reefs, lagoon	Kayangel	1996	34.96	Dual
Ebiil Conservation Area	Grouper spawning aggregations	Ngarchelong	1999	19.11	Marine
Ileakelbeluu	Patch reef	Ngardmau	2005	0.62	Marine
Ngermasech Conservation Area	Mangrove, reef flat, seagrass bed	Ngardmau	1998	2.93	Dual
Ngerchelchuus	Forest	Ngardmau	2005	0.30	Terrestrial
Ngardmau Waterfall (Taki)	Waterfall	Ngardmau	2005	0.30	Terrestrial
Ngaraard Beach Conservation Area	Beach, reef flat, seagrass bed	Ngaraard	1990	12.07	Dual
Ngaraard Mangroves Conservation Area	Mangrove	Ngaraard	1994	1.42	Dual
Bkulabeluu	Northside of channel	Ngaremlengui	???		Marine
Bkulengriil Conservation Area	Mangroves/Seagrass bed	Ngaremlengui	2006	0.71	Dual
Ngatpang Clam Conservation Area		Ngatpang	2003	0.15	Dual
Ngatpang Crab Conservation Area		Ngatpang	2003	0.15	Dual
Ngatpang Fish Conservation Area		Ngatpang	2003	0.15	Marine
Ngaremeduu Conservation Area	Estuary, mangroves	Ngaremlengui, Aimeliik, Ngatpang	1999	98.00	Dual
Ngardok Nature Reserve	Lake, wetlands	Melekeok	1999	5.00	Terrestrial
Melekeok nearshore waters	Reef flat	Melekeok	1997		Marine
Melekeok reef flat	Giant clams	Melekeok	1998		Marine
Ngelukes Conservation Area	Patch reef	Ngchesar	2002	0.50	Marine
Mesekelat Conservation Area	Watershed, forest	Ngchesar	2002	0.50	Terrestrial
Ngerchebal	Island, reef flat	Aimeliik	2006		Dual
Imul Mangrove Conservation Area	Mangrove	Aimeliik	2002	0.43	Dual
Ngchesechang Mangrove Conservation Area	Mangrove	Airai	1994	0.97	Dual
Oikull Mangrove Conservation Area	Mangrove	Airai	2002	0.78	Dual
Airai Reef Conservation Area	Seagrass bed	Airai	2006		Marine
Ngeream Conservation Area	Mangrove	Airai	1997	1.64	Dual
Ngerkebesang Conservation Zone	Reef flat	Koror	2002	0.04	Marine
Ngederrak Reef	Seagrass bed, reef flat	Koror	2001	5.98	Marine
Ngerumekaol Spawning Area	Grouper spawning aggregations	Koror	1976	2.08	Marine
Ngkisaol Sardine Sanctuary	Mangrove, sardine aggregation	Koror	1999	0.05	Dual
Ngerukuid Islands Wildlife Preserve	Islands, reefs, lagoon	Koror	1956	11.02	Dual
Ngemelis Island Complex	Islands, reef, dive sites	Koror	1995	40.26	Dual
Teluleu Conservation Area	Seagrass bed, reef flat	Peleliu	2001	0.83	Marine
Angaur Conservation Area	Seagrass, reef flat	Angaur	2006	0.39	Marine
Fana Island Important Bird Area (IBA)	Island	Sonsorol	2006	0.40	Terrestrial
Helen Reef Reserve	Atoll island, reefs, lagoon	Hatohebei	2001	163.00	Dual
Rock Islands Southern Lagoon Management Area	Rock Islands, lagoon, barrier reefs	Koror	1997	621.00	Marine

conservation areas may be designated by one or more traditional chiefs or by state governments. More often, a successful conservation area is designated by traditional, state, and national levels of governance with all parties collaborating for sustainable management.

The first modern protected area in Palau was the Ngerukewid Islands Wildlife Preserve, created in 1956. This area remains under protection today, one of 36 protected areas (2008). In 2003, landmark Protected Areas Network (PAN) legislation was enacted. This framework legislation encourages national and state governments, in consultation with traditional leaders, to collaborate in designing a scientifically sound nationwide network of terrestrial and marine protected areas. Ultimately, it is envisaged that the network will incorporate representative samples of all of Palau’s ecological systems and important species, and will promote ecological regeneration by respecting principles of connectivity.

Today, Palau has 36 protected areas encompassing 1,000 square kilometers (or 34 percent of Palau’s near-shore marine area and 23.8 percent of its terrestrial area). With this level of coverage, Palau has already exceeded the targets set by the Micronesian Challenge. The Micronesian Challenge, initiated by the President of Palau – His Excellency Tommy Remengesau, Jr. – represents a commitment by the chief executives of Palau, the Marshall Islands, the Federated States of Micronesia, Guam, and the Commonwealth of the Northern Mariana Islands for each government to effectively conserve 30% of near-shore and 20% of terrestrial resources by or before 2020. The challenge was issued in 2006 at the U.N. Convention on Biological Diversity in Brazil. As a result of the Challenge, Palau aspires to become the first nation in the world to establish a nationwide protected

areas network that is financially self-sustaining. Resources in support of the network will come from visitor fees and a trust fund, the later established in collaboration with regional and international partners.

**E**ndangered species: One of several reasons for designating protected areas is to protect the habitats on which vulnerable, threatened, or endangered species depend. In addition to the Protected Areas Network legislation, Palau has three laws that protect vulnerable species. The Endangered Species Act of 1975 gives the Ministry of Resources and Development authority to designate endangered species and to issue regulations for their protection. The Marine Protection Act of 1994 identifies specific fish and sea life species in need of special protective measures including: ban on export (mangrove crab, certain species of sea cucumber, and certain fish); closed harvest seasons (rabbit fish, groupers, and other species); size limits (crabs, lobsters, turtles, and certain fish); limitations on methods of harvest; and requiring permits to harvest and/or export some species. Additional legal protections have been enacted for dugongs, crocodiles, and turtles.

Potentially Endangered or Threatened Species <i>Draft ESA Regulations</i>		
	Endangered	Threatened
Mammals	1 species; 1 order (whales, dolphins, porpoises)	1 species
Birds	4 species	13 species
Reptiles	3 species	2 species
Mollusks	2 species	4 species
Plants	3 species	12 species
Fish	0 species	3 species; 1 order (sharks)

Despite these protective laws, there is no definitive list of endangered, threatened or vulnerable species resident in Palau. At one

level, all endemic species may be considered at-risk due to the inherent vulnerability posed by their sole habitat being a single, small Pacific Island. Beyond this generic risk, endangered species regulations (drafted for comment but never officially promulgated), list 13 species and 1 order as endangered and 35 species and 1 order as threatened (see table on page preceding).

The only species thought to be extinct in Palau is the large Palau flying fox (*Pteropus pilosus*) the existence of which is known only on the basis of two specimens collected by ethnographers prior to 1874.

**Target 3:** By 2015, halve the proportion of people without sustainable access to improved drinking water and sanitation.

Census data provide a regular series of information about housing conditions, including access to water and sanitation. For access to improved water supplies, there are two relevant indicators:

- Access to public water systems;
- Access to water piped into the home.

Access to Improved Water and Sanitation					
% of Households, Census Data					
		1990	1995	2000	2005
Public Systems					
	Urban	98.5	97.5	98.7	98.5
	Rural	72.4	77.5	85.1	86.2
	Total	86.8	92.3	95.5	95.7
Piped Water					
	Urban	97.0	99.0	98.4	99.7
	Rural	76.6	80.9	89.0	91.1
	Total	87.9	94.4	96.2	97.9
Flush Toilets					
	Urban	59.7	75.7	87.4	99.9
	Rural	12.1	25.7	45.9	99.9
	Total	46.3	62.9	77.5	99.9

While more households enjoy piped water (97.9 percent, 2005) than public water (95.7 percent, 2005), the difference between the two indicators is not large.<sup>9</sup> Both indicators demonstrate that Palau has well exceeded the MDG target (50 percent reduction in households without access to improved water) with the greatest improvement having occurred in rural areas. (Access to improved water in urban areas was virtually universal in the 1990 base year).

Government, with assistance from the Asian Development Bank, has embarked on a major project to upgrade water supplies on Babeldaob. This project will increase quantity, improve quality, and support rural economic development. Plans are also being made to upgrade the Koror-Airai water distribution system to reduce water loss during transmission. The Draft Medium Term Development Strategy (*PINZ, 2008*), proposes to corporatize water systems and reduce public subsidies as measures to, in part, promote water conservation.

**S**anitation: Palau has exceeded the MDG goal for sanitation. Coverage by improved systems (defined for the purpose of the MDG as flush toilets) has increased from 46 percent (1990) to 99.9 percent (2005). In 2005, only 29 households, (12 urban and 17 rural), continued to use outhouses (*census reports*).

**Target 4:** By 2020, to have achieved a significant improvement in the lives of urban slum dwellers.

The word “slum” evokes images of blocks of blighted housing occupied by poverty-stricken

<sup>9</sup> Some households have water piped from non-public sources such as individual household water catchments or private wells.



family without resources to improve their situation. With this image in mind, Palau does not have classic slums although clearly some housing is substandard by both local and international standards.

There are five indicators for target 7.4:

1. Access to improved water;
2. Access to improved sanitation;
3. Adequacy of living space;
4. Permanence of construction;
5. Security of tenure.

Urban Housing Quality					
Census Data					
		1990	1995	2000	2005
Persons per unit (median)					
	Koror	4.5	5.2	4.8	4.1
	Airai	4.7	5.0	4.9	4.0
6+ persons (%)		30.4%	37.5%	31.8%	22.5%
8+ persons (%)		13.1%	17.2%	14.2%	9.2%
Thatch on roof of main dwelling		0.1%	0.9%	0.2%	0.3%

**Water and Sanitation:** Access to improved water and sanitation in urban Palau (Koror-Airai) is very high. Only 1.2 percent of urban households do not use public water, 0.3 percent do not have water piped into their homes, and only 12 households (less than 0.001 percent) do not have flush toilets, (census, 2005).

**Living space:** The census does not collect information on the square footage of occupied housing or on residents-per-square-foot but it does collect information about the number of persons per household and the number of persons per room (table above). These data suggest that crowding increased between 1990 and 1995 but has declined subsequently. Since 1995, the median number of persons per unit

has declined by 20 percent and the proportion of households with eight or more residents has halved. Crowding is a potentially important indicator of substandard housing. The Ministry of Health has found that crowding strongly correlates with complications of pregnancy and other adverse birth outcomes (MOH, 2007). The HIES (2006) found a strong correlation between crowding and poverty (Abbott, 2008).

**Land tenure:** Determination of land ownership and issuance of land titles is work still in progress. Court dockets are crowded with land disputes and many urban dwellers live on leased land – some state government leases, some private leases, and others “grace and favor” family or clan leases. Given the uncertainty about land rights, it is simply not practical to compile data on the MDG indicator “urban households facing uncertainty of land tenure.”

To-date, very few people have been evicted from their homes due to land disputes or changes in land tenure. The number of displaced persons, however, will increase in the future as development and investment create incentives for land owners to sell or lease their properties for commercial purposes. It has been noted (PINZ, 2008), that there is no organized system at present to assist displaced persons with relocation nor is there legislation that ensures displaced persons receive fair compensation for their immovable fixed assets.

**Future directions:** Palau experiences continuous tension between the pressures for development and conservation. As Palau’s President Tommy Remengesau, Jr. (2000-2008) is fond of saying, “Our environment is our economy and our economy is our environment.” With this in mind, Palau has many incentives to continue efforts to ensure sustainability of its environmental resources for future generations.



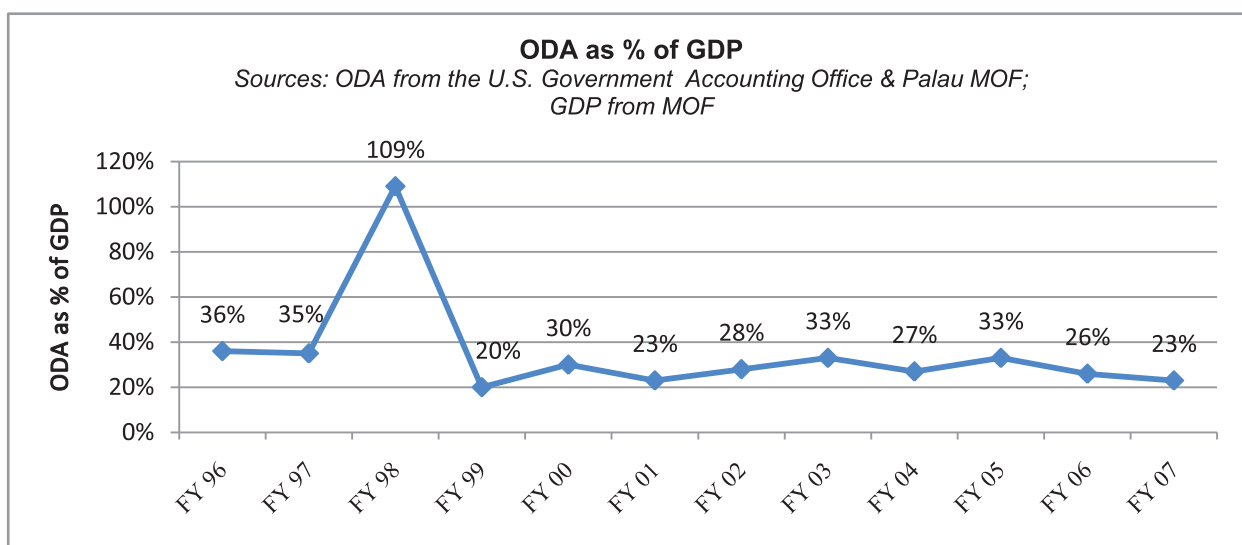


## MDG 8 : Global partnerships

Since independence (1994), Palau has played an active role in regional and global affairs. Palau has forged diplomatic ties with 44 nations, is

a member of the United Nations and several of its specialized agencies as well as the World Bank, the International Monetary Fund, and the

Indicators at a Glance – Partnership for Development					
Indicator	1990	1995	2000	Recent	Source
<b>Target 1: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system</b>					
ODA as % of gross national income	n.a.	n.a.	n.a.	n.a.	---
ODA as % of gross national product	n.a.	n.a.	29.7%	22.7%	GAO/MOF
Bilateral ODA (%) that is untied	n.a.	65%	39%	35%	GAO/MOF
Bilateral ODA (%) allocated to basic services – health, education, social welfare, water & sanitation	n.a.	89%	36%	61%	Various
Bilateral ODA (%) allocated to agriculture	n.a.	0.4%	0.0%	0.7%	Various
Bilateral ODA (%) allocated to expanding trade capacity	n.a.	0.0%	0.0%	0.0%	Various
Average tariffs imposed by developed countries on imports from Palau of agriculture products, textiles, and clothing	n.a.	0	0	0	COFA
Debt service as % of exports of goods & services	n.a.	n.a.	4.2%	17.5%	IMF
Debt service as % of GDP	n.a.	n.a.	1.2%	1.0%	IMF/MOF
Debt service as % of government recurrent budget	n.a.	n.a.	n.a.	2.2%	IMF
<b>Target 2: In cooperation with pharmaceutical companies, provide access to affordable essential drugs</b>					
Proportion of population with access to a minimum of 20 of the most essential drugs	n.a.	n.a.	n.a.	n.a.	MOH
<b>Target 3: In cooperation with the private sector, make the benefits of technology widely available</b>					
Telephone lines per 100 population	n.a.	n.a.	47	40	OPS/PNCC
Households (%) with telephone	42%	54%	91%	96%	Census
Cellular subscribers per 100 population	n.a.	n.a.	n.a.	n.a.	----
Households (%) with cell phone	n.a.	n.a.	n.a.	45.4%	Census
Internet subscribers per 100 population	n.a.	n.a.	6.1	5.7	OPS/PNCC



Asia Development Bank. At the regional level, Palau is an active member of the Pacific Islands Forum Secretariat (PIFS), the Secretariat of the Pacific Community (SPC), the Forum Fisheries Agency, the South Pacific Regional Environmental Program, and the Pacific Islands Applied Geoscience Commission.

**Target 1:** Develop further an open, rulebased, predictable, non-discriminatory trading and financial system.

While the international community has identified a large number of indicators for monitoring Target 1, only ten are relevant for Palau. These indicators measure: (a) overseas development assistance; (b) tariffs on Palau exports; and (c) national debt.

**O**verseas Development Assistance: Since Independence, Palau has received in excess of \$860m in ODA<sup>10</sup> or an average of

<sup>10</sup> This figure INCLUDES: direct COFA financial transfers for both capital and recurrent costs; estimated value of U.S. Federal government services (e.g. Civic Action Team, Federal Aviation Administration, Postal Service, and Meteorological

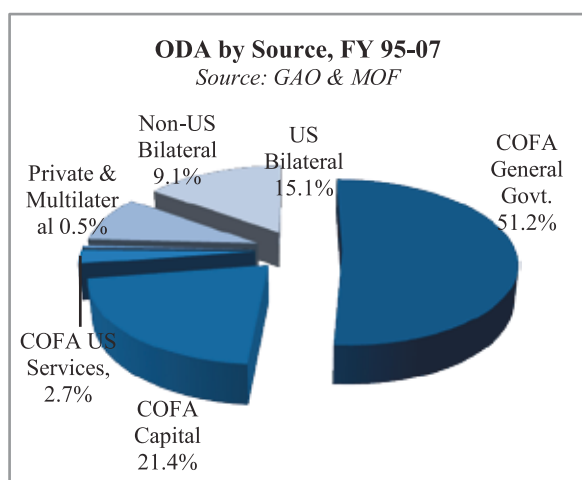
\$2,500 per resident per year. This total, however, underestimates the actual value of ODA given omissions from the data set (see footnote for a listing of ODA sources excluded from this estimate). The average, however, is misleading because it includes large post-independence receipts for capital development including the Compact Road on Babeldaob and creation of a trust fund. Since FY 1999, ODA has remained relatively stable at 27 percent of GDP (see graph above).

**B**ilateral Aid: Despite gradual diversification of aid partners since independence, the U.S. continues to be the leading provider of

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Service), and discretionary grants from all sources (U.S., other bilateral, multilateral, and private) that pass through the Palau Treasury. This figure EXCLUDES: U.S. grants that do not pass through the Palau Treasury including education grants (Head Start and Pell totaling \$4m per year); grants awarded directly to Palau state governments, boards, commissions, non government organizations, and private entities that do not pass through the Palau Treasury; grants directly expended by donors including most Japanese and Australian aid; technical assistance grants; and the value of most humanitarian services (e.g. U.S. National Health Service Corps assignees, Peace Corps volunteers, Japanese Volunteers, United Nations Volunteers, and others).

ODA. Assistance from the United States under the Compact of Free Association (COFA) accounts for 75 percent of ODA receipts since independence (FY 95-08) while non-COFA discretionary grants from U.S. sources accounts for an additional 15 percent of aid receipts.



The table alongside shows the allocation of non COFA bilateral ODA across key sectors. Since independence 57% of bilateral aid has been allocated to basic services (health, education, other social services, water, and sanitation). Although the proportion of bilateral aid allocated to basic services has declined while the proportion allocated to infrastructure has increased, actual (nominal) allocations for basic services have not changed significantly. There have, however, been significant intersector changes. Most prominent, ODA allocated for education purposes has declined while there has been a concurrent increase in ODA allocated to health activities.

Palau is a signatory to the Pacific Principles on ODA Effectiveness and continuously strives to enhance aid effectiveness through the application of the fundamental values and approaches embodied in the document. Future ODA levels are uncertain. The financial provisions of COFA expire in 2009. Palau and U.S. negotiators are

currently reviewing the COFA but the global financial crisis and elections in November 2008 in Palau and the United States, make it difficult to predict whether ODA from U.S. sources will remain at levels similar to those of 1995-2008 for the second phase of COFA (2009-2024).

Bilateral Aid Allocated by Key Sector			
As % of Total Bilateral ODA Exclusive of COFA			
Source: Ministry of Finance			
	Basic Services	Agriculture Forestry	Trade
FY 95	89%	0.3%	0.0%
FY 96	86%	0.0%	0.0%
FY 97	74%	1.4%	0.2%
FY 98	89%	1.0%	0.0%
FY 99	86%	3.4%	0.0%
FY 00	36%	0.0%	0.0%
FY 01	36%	0.0%	0.0%
FY 02	44%	0.5%	10.0%
FY 03	33%	1.3%	9.2%
FY 04	46%	0.9%	0.0%
FY 05	31%	0.5%	0.0%
FY 06	53%	0.6%	10.6%
FY 07	40%	0.6%	0.0%
FY 08	61%	0.7%	0.0%
Average	57%	0.8%	2.0%

The draft Medium Term Development Strategy (PINZ, 2008) calls for fiscal adjustment involving both new domestic revenues and reduced government expenditures in order to: (a) bring government expenditures in line with revenues; (b) reduce dependency on ODA, especially COFA; and (c) stimulate private sector development. Under a worst case scenario triggered by deep cuts in COFA revenues, the required fiscal adjustment could be as great as 25 percent of public expenditures over the period 2009-2013. While the MTDS provides a roadmap for coping with adjustment, there can be little doubt that deep cuts in COFA revenues

Palau National Government Debt and Debt Service								
	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07 Provisional
<b>Gross External Debt</b>								
Gross External Debt	20m	20m	20m	19.429m	20.286m	18.643m	17.500m	22.857m
<b>Debt Service</b>								
Principal	1.433m	0	0	0.571m	1.143m	1.643m	1.143m	1.143m
Interest	0	0.7m	0.712m	0.704m	0.687m	0.665m	0.657m	0.620m
Total	1.433m	0.7m	0.712m	1.275m	1.83m	2.308m	1.8m	1.763m
<b>Debt Service as % of GDP</b>								
GDP	119.863m	124.656m	119.455m	122.728m	133.560m	145.428m	156.614m	164.289m
Debt Service as % of GDP	1.2%	0.6%	0.6%	1.0%	1.4%	1.6%	1.1%	1.1%
<b>Debt Service as % of Government Recurrent Budget</b>								
Govt. recurrent budget			58.994m	68.444m	70.628m	71.837m	78.161m	81.215m
Debt Service as % of recurrent budget			1.2%	1.9%	2.6%	3.2%	2.3%	2.2%
<b>Debt Service as % of Exports</b>								
Exports (F.O.B.)		16.567m	20.245m	8.411m	5.882m	13.414m	13.594m	10.061m
Debt service as % of exports		4.2%	3.5%	15.2%	31.1%	17.2%	13.2%	17.5%
Sources:								
(1) Debt & debt service derived from IMF, May 2008 (Country Report No. 08/162).								
(2) GDP derived from Ministry of Finance and based on calendar years 2000-2007.								
(3) Govt. recurrent budget derived from IMF, May 2008 (Country Report No. 08/162); figures differ slightly from those published elsewhere.								
(4) Exports derived from IMF, May 2008 (Country Report No. 08/162).								

will result in increased poverty rates and cutbacks in some public services.

**T**ariffs: Under COFA, Palau exports to the United States, Palau's largest trading partner, are not subject to import tax.

**D**ebt and Debt Service: Data on government debt, as compiled by the International Monetary Fund (2008), is presented in the table above. Since FY 2000, Palau's external debt has averaged \$20m and its debt service obligation has averaged \$1.5m per year.

This represents: 1 percent of GDP; 2.2 percent of the government recurrent budget; and 14.5 percent of exports.

**Target 2:** In cooperation with pharmaceutical companies, provide access to affordable essential drugs.

It is difficult to assess progress against the essential drug target because it requires that multiple attributes be defined and measured including:

1. *Drugs.* A short-list of twenty essential drugs must be identified that meet the needs of the majority of the population. Because disease profiles vary widely, the list must be population specific. Arriving at a list of the 20 most essential drugs in a population such as Palau where non communicable diseases constitute the main disease burden is more complex than arriving at such a list for a population primarily burdened by communicable and infectious disease.

2. *Time and Distance.* Essential drugs must be physically accessible within an acceptable and measurable travel time. This varies between locales depending on dominant mode of travel and geographic barriers.

3. *Cost.* Affordability parameters must be clearly defined on a population-specific basis with mechanisms in place to determine who can and cannot afford drugs.

The Palau Ministry of Health has not defined the various parameters of this indicator. Nevertheless, the government continuously strives to improve access to health care, including drugs. Palau has a well-developed primary health care system that makes essential care physically accessible to all but the most remote populations. (These populations reside on very

remote islands and constitute less than 0.5 percent of the total population). Financial, not physical, constraints constitute the major impediment to access (*MOH-CAP, 2005*). Measures in place to address financial constraints include: (1) legislation requiring the Ministry of Health to provide essential services without regard to the patient's ability to pay; (2) adoption by the Ministry of a sliding fee schedule with users paying anywhere from 5-70 percent of the cost of care depending on household income and other circumstances; and (3) by regulation, most prescription charges are limited to \$5 per prescription. Beyond this, work is underway to develop a national health insurance plan that proponents expect will further enhance access to essential health care, including but not limited to drugs.

**Target 3:** In cooperation with the private sector, make the benefits of technology widely available.

Palau has a "universal service" law requiring the semipublic Palau National Communication Corporation to provide basic telecommunications services nationwide at a standard rate. In essence, urban subscribers, cell phone users, and internet users subsidize fixed line rates for rural populations. In large measure due to this law, basic technology is widely available. 96 percent of households have a telephone land line and 45 percent have a cell phone (*census, 2005*). 18 percent of households have a computer (*census, 2005*) although the number of internet subscribers (including businesses and government) remains low at less than 6 subscribers per 100 residents (*PNCC, 2008*). Internet public access sites, however, are widely available in Koror and becoming more widely available in rural states as well. Schools and health facilities in the main archipelago are equipped with internet accessible computers.





# Annexes to the Report





## Annex 1. Socio-Economic Profile

Indicator	1990	1995	2000	Circa 2005	Source
<b>Geography</b>					
Land area (square miles)				18,959	OPS
Exclusive economic zone (square miles)				237,850	OPS
<b>Population</b>					
Resident population	15,122	17,225	19,129	19,907	Census
Resident population – ethnic Palauans	12,722	13,130	13,634	14,635	Census
Population Koror-Airai urban area (%)	77.6%	80.0%	80.5%	77.4%	Census
Completed fertility rate – ethnic Palauan women aged 45-49 years	4.6	3.8	3.4	3.0	Census
<b>Poverty</b>					
Human Poverty Index (1999 and 2005)	n.a.	n.a.	10.8	6.8	Various
Households below basic needs poverty line (2006)	n.a.	n.a.	n.a.	18.4%	HIES Abbott
Individuals below basic needs poverty line (2006)	n.a.	n.a.	n.a.	24.9%	
<b>Health</b>					
Infant mortality rate (deaths per 1,000 livebirths)	24.5	15.0	10.8	7.2	OPS MOH
Life expectancy at birth – male	63.44	67.03	66.64	66.27	Census
Life expectancy at birth – female	74.98	76.90	74.54	72.10	Census
<b>Education</b>					
Gross enrollment ratio – primary (grades 1-8)	n.a.	113%	115%	100%	MOE
Gross enrollment ratio – secondary (grades 9-12)	n.a.	86%	94%	94%	MOE
Net enrollment ratio – primary (grades 1-8)	n.a.	n.a.	n.a.	85%	MOE
Net enrollment ratio – secondary (grades 9-12)	n.a.	n.a.	n.a.	66%	MOE
Literacy rate – citizens 18 years +		90.8%	91.8%	93.7%	Census
<b>Economy</b>					
Gross Domestic Product ( <i>calendar year 1992, 1995, 2000, 2007 provisional</i> )	82.5m	95.2m	119.9m	164.3m	MOF
GDP per capita (FY 2000 and FY 07 provisional)	\$5,179	\$5,529	\$6,266	\$7,983	MOF OPS



## Annex 2. Core Human Rights Conventions - Palau Status

Convention or Treaty	Date Entered into Force	Palau Status
Convention on the Prevention and Punishment of the Crime of Genocide	9 December 1948	Not a party
International Convention on the Elimination of all Forms of Racial Discrimination	7 March 1966	Not a party
International Covenant on Economic, Social, and Cultural Rights	16 December 1966	Not a party
International Covenant on Civil and Political Rights	16 December 1966	Not a party
Convention on the Non-Applicability of Statutory Limitations to War Crimes and Crimes Against Humanity	26 November 1968	Not a party
International Convention on the Suppression and Punishment of the Crime of Apartheid	30 November 1973	Not a party
Convention on the Elimination of All Forms of Discrimination Against Women	18 December 1979	Not a party
Convention Against Torture and Other Cruel, In-human or Degrading Treatment or Punishment	10 December 1984	Not a party
International Convention Against Apartheid in Sports	10 December 1985	Not a party
Convention on the Rights of the Child	20 November 1989	Accession (4 August 1995)
International Convention on the Protection of the Rights of all Migrant Workers and Members of their Family	18 December 1990	Not a party
Convention on the Rights of Persons with Disabilities	13 December 2006	Not a party
International Convention on the Protection of all Persons from Enforced Disappearance	20 December 2006	Not a party
<i>Source: Office of the United Nations High Commissioner for Human Rights, <a href="http://www2.ohchr.org">www2.ohchr.org</a>.</i>		



## Annex 3. Statistics at-a-Glance

Indicator	Source	Latest Year	Frequency	Coverage	Data Disaggregated	Data Quality	Use of Data for Policy	
<b>MDG 1. Poverty and Hunger</b>								
Purchasing Power Parity	Not Available	---	---	---	---	---	---	
Poverty	HIES (OPS)	2006	Every 5 years	National	Region, gender, age	Good	New data; use to be determined	
Employment	Census (OPS)	2005	Every 5 years	National	State, gender, age, ethnicity, residency	Overall good but for employment only fair	Fair	
	Social Security	2007	Annual	National	Citizenship	Excellent	Fair	
Employment (Informal)	Census (OPS)	2005	Every 5 years	National	State, gender, age, ethnicity, residency	Overall good but for employment only fair	Fair	
GDP	OPS	2007	Annual	National	None	Good	Excellent	
Child malnutrition	MOH	Not available	Number of cases too small to justify routine reporting (average 0-2 cases identified per year)					
Households below food poverty line	HIES (OPS)	2006	Every 5 years	National	Region, gender, age	Fair (interhousehold sharing complicates analysis)	New data; use to be determined	
<b>MDG 2. Education</b>								
School enrollment	Annual school survey (MOE)	2006	Annual	National	Public & private schools, gender	Good	Good	
Transition rate	Annual school survey (MOE)	2007	Annual	National	Public & private schools	Unknown	Fair	
Adult literacy ages 25+	Census (OPS)	2005	Every 5 years	National	State, gender, age, ethnicity, residency	Good	Good	
Adult literacy ages 15-24	Unpublished census data (analysis by OPS)	2005	Every 5 years	National	Gender	Good	Fair	

Indicator	Source	Latest Year	Frequency	Coverage	Data Disaggregated	Quality of Data	Use of Data for Policy
<b>MDG 3. Gender</b>							
School enrollment – primary & secondary	Annual school survey (MOE)	2006	Annual	National	Gender	Good	Good
Enrollment – Tertiary	Palau Community College statistics	2007	Semester (twice a year)	PCC campus	Gender, nationality	Good	Good
	Overall enrollment	There is no data base of all Palauans enrolled in post-secondary schooling in total or by gender					
Post-Secondary Scholarships	Palau National Scholarship Board	Information exists in records to allow gender disaggregation but disaggregation is not routinely done					
Life expectancy	Census (OPS)	2005	Every 5 years	National	Gender	Fair to Good	Good
Women in employment	Census (OPS)	2005	Every 5 years	National	Gender, state, ethnicity, age, residency	Fair	Fair
	Social Security	Social Security data is considered to be more accurate and more up-to-date than census data but are disaggregated only for citizenship, not gender					
Women's earnings	Census (OPS)	2005	Every 5 years	National	Gender, state, ethnicity, age, residency	Unknown	Fair
	Social Security	Good quality data potentially available but not disaggregated by gender					
Women in business	Business licenses held by gender	Information exists to support gender disaggregation but disaggregation is not routinely done					
Women in public office	Head count	2008	As needed	National; State	Gender	Good	Fair
<b>MDG 4. Child Health</b>							
Infant and child deaths	Ministry of Health	2007	Annual	National	None	Excellent	Excellent
Children immunized	Ministry of Health	2007	Annual	National	None	Good	Excellent
<b>MDG 5. Maternal Health</b>							
Maternal deaths	Ministry of Health	2007	Annual	National	None	Excellent	Excellent
Completed fertility rates	Census (OPS)	2005	Every 5 years	National	Ethnicity, age	Unknown	Good
Contraceptive use	Ministry of Health (clinical data)	2007	Annual	National	None	Fair (excludes persons not using prescription methods obtained through MOH)	Fair



Indicator	Source	Latest Year	Frequency	Coverage	Data Disaggregated	Quality of Data	Use of Data for Policy
<b>MDG 6. HIV, AIDS, Tuberculosis, Malaria, Other Diseases</b>							
HIV and AIDS cases	Ministry of Health	2008	Annual or as needed	Clinical findings	Citizenship, age, gender	Good	Good
Sexual behaviors (Palau High School students)	Youth Risk Behaviors Survey	2007	Biannual	Palau High School	Gender, grade level	Good	Excellent
Sexual behaviors – other youth	No data	---	---	---	---	---	---
Sexual behaviors others	Second Generation Survey (MOH-SPC)	2005-6	Irregular	Prenatal, MSM, Police	Gender, population group	Unknown	Good
Tuberculosis cases	Clinical reports (MOH)	2007	Annual or as needed	Clinical reports	Gender, age, citizenship	Good	Good
Tuberculosis treatment and cure rates	TB surveillance system (MOH)	2007	Annual	Clinical reports	Gender, citizenship	Good	Good
NCD cases	NCD case registry (MOH)	2007	Annual or as needed	Clinical reports	None	Fair (based on clinical findings; not systematic case finding)	Good
<b>MDG 7. Environmental Sustainability</b>							
Greenhouse gas emissions	OERC	2007	Annual	Multi-sector data	None	Good	Good
Use of ozone depleting substances	OERC and EQPB	2006	Annual	Multi-sector data	None	Good	Good
Renewable water resources	Rough estimate only is available based on a 2000 report that is of unknown validity; original publication has been lost, only secondary references are available						
Water used	Public Works	2007	Annual or as needed	Pumping records	Pump station	Fair	Fair
Protected areas	OERC and Palau Conservation Society	2007	As needed	Boundaries of many protected areas are imprecise and include both marine and terrestrial areas; data reported represents best estimate of knowledgeable parties			
Endangered species	Draft endangered species regulations	There are no set standards for determining what constitutes “endangered” or for monitoring the status of species so designated; there is no official list					
Access to public water systems	Census	2005	Every 5 years	National	State; owner occupied versus other	Excellent	Good
Access to piped water	Census	2005	Every 5 years	National	State; owner occupied versus other	Excellent	Good
Access to flush toilets	Census	2005	Every 5 years	National	State; owner occupied versus other	Excellent	Good

Indicator	Source	Latest Year	Frequency	Coverage	Data Disaggregated	Quality of Data	Use of Data for Policy
Population without adequate living space	Not available	There is no standard for “adequate” living space; neither census nor any other data base provides information on living space per capita					
Persons per household (or per room)	Census	2005	Every 5 years	National	State; owner occupied versus other	Unknown	Fair
Permanent construction	Census	2005	Every 5 years	National	State; owner occupied versus other	Good	Fair
Security of tenure	Not available	There is no standard for security of tenure and no data base					
<b>MDG 8. Partnerships for Development</b>							
Gross national income	Not available	---	---	---	---	---	---
Gross national product	OPS	2007	Annual	National	None	Good	Excellent
ODA	Ministry of Finance	2007	Annual	National	Sector, donor	Good but incomplete	Good
	U.S. GAO	2007	Occasional	National	Sector	Probably good	Fair
National Debt	International Monetary Fund	2007	Occasional	National	None	Probably good	Good
Access to drugs	Not available	---	---	---	---	---	---
Telephone lines	PNCC (Telecom)	2007	Annual or as needed	National	State	Good	Fair
Cellular telephones	Census	2005	Every 5 years	National	State	Fair	Fair
Internet users	PNCC	2007	Annual or as needed	National	None	Unknown	Fair

## Annex 4. Source Notes



### MDG-1: Poverty

1. The Pacific definition of poverty is found in: *United Nations Development Program (1999). Pacific Human Development Report 1999: Creating Opportunities. Suva, Fiji: United Nations Development Program.*

2. The PCAA-CoPopChi focus group study of community perceptions on poverty has been described in: *CoPopChi (1998). Sustainable Human Development: Progressing with the Past. Suva, Fiji: United Nations Development Program.*

3. Data for MDG-1 poverty indicators are derived primarily from: *Abbott, D. (2008). Palau Analysis of the 2006 Household Income and Expenditure Survey. Suva, Fiji: Government of Palau and the United Nations Development Program Pacific Centre.*

4. Employment data are derived from the Palau Social Security Administration. The Social Security data bases are considered by the Office of Planning and Statistics to be more accurate than census data on employment. Because unpaid family workers and self-employed workers in the informal sector are generally outside the social security system, census data are used for measures of these two employment categories.

5. GDP data were provided for this report by the Palau Office of Planning and Statistics.

6. Prevalence rates for obesity and overweight are published by the Palau Ministry of Health in: *Palau Ministry of Health (2007). Palau Health: Facts and Figures 2006. Koror, Palau: Author.*

### MDG-2: Education

7. Data on school enrollment and transition rates are provided by the Palau Ministry of Education.

8. Data on literacy rates for persons 15-24 years of age are provided by the Ministry of Education based on analysis of unpublished census tables by the Palau Office of Planning and Statistics. Data on literacy rates for citizens 18 years of age and older are derived from published census reports.

### MDG-3: Gender Equality

9. Gender-disaggregated school enrolment statistics are provided by the Palau Ministry of Education.

10. The Palau National Scholarship Board does not disaggregate financial aid information by gender.

11. Data on gender-disaggregated post secondary education attainment are derived from the Palau Census reports.

12. Data on employment by gender are derived from the census reports. Although employment data from the census reports are generally considered to be less accurate than social security employment data, the Social Security Administration does not disaggregate data by gender.

13. Gender disaggregated life expectancy data are provided by the Office of Planning and Statistics. Methodological notes and life tables appear in the publication: *Office of Planning and Statistics (2006). Republic of Palau Volume II Census Monograph. Koror, Palau: Author.*

## MDG-4: Child Health

14. Infant and child death statistics are derived from the Office of Planning and Statistics (1991-1998) and from the Ministry of Health (1999-2007).

5. Child immunization statistics are provided by the immunization program of the Palau Ministry of Health (Bureau of Public Health).

## MDG-5: Maternal Health

16. The Palau Ministry of Health (Family Health Unit) provides data on maternal mortality, delivery and prenatal care, teenage fertility, and contraceptive prevalence.

17. Completed fertility rates are derived from the census reports.

18. Additional data on contraceptive use is obtained from a survey conducted by OPS and RARE in 2003: *Palau Office of Planning and Statistics with RARE (2003). 2003 Population and Environment Survey. Koror, Palau: Author.*

19. Information about unmet needs for family planning services is obtained from a survey conducted by the Ministry of Health (Family Health Unit of the Bureau of Public Health): *Ministry of Health, Family Health Unit (2003). Palau 2002-2003 PRAMS-Like Survey. Koror, Palau: Author.*

## MDG-6: HIV and AIDS, Tuberculosis, Other Diseases

20. HIV and AIDS data are provided by the HIV-AIDS program of the Palau Ministry of Health.

21. Second generation HIV and AIDS survey data referenced in the chapter appear in: *Gold, Judy (2008). Second General HIV and STI Surveillance Studies 2005-2006. Canberra, Australia: Pacific Regional HIV/AIDS Project (PRHP); and Centre for Epidemiology and Population Health Research, Burnet Institute.*

22. Youth Risk Behavior Survey data are derived from the YRBS series published by the Palau Ministries of Health and Education in cooperation with the U.S. Centers for Disease Control. The most recent publication in the series is: *Palau Ministry of Education with U.S. Centers for Disease Control (2008). Report Youth Risk Behavior Survey 2007. Koror, Palau: Author.*

23. Information on tuberculosis incidence and control programs are provided by the Palau Ministry of Health (Bureau of Public Health, Tuberculosis Control Program).

## MDG-7: Environment

24. Greenhouse gas emissions were calculated by the Palau Office of Environmental Response and Coordination using the 1996 Revised IPCC guidelines reference approach, 2006 IPCC guidelines, and IPCC Good Practice Guidance manuals. The sectors covered were energy, agriculture, industrial processes, land use change and forestry, solvent and other product use and waste.

25. Data on use of ozone depleting substances was provided by the Palau Environmental Quality Protection Board and the Palau Office of Environmental Response and Coordination.

26. Data on water resources was provided by the Office of Environmental Response and Coordination based on a 2001 publication by Gonzales, Winzler, and Kelly. Because the original publication with its methodological notes cannot be located, these data should be used with the utmost caution.

27. Data on access to water and sanitation are derived from the census reports.

## MDG-8: Development Partners

28. Data on ODA derive from several sources. The Palau Ministry of Finance has provided data on ODA receipts to the National Treasury excluding COFA receipts but including U.S. Federal discretionary grants. Data on COFA receipts, U.S. allocations for capital development, and the cost of U.S. Federal services (Civic Action Team, Federal Aviation Administration, Postal Service, and Meteorological Services) are derived from a recent report by the U.S. Government Accounting Office: *U.S. Government*

*Accounting Office (2008). Compact of Free Association: Palau's Use of and Accountability for U.S. Assistance and Prospects for Economic Self-Sufficiency (GAO-08-760). Washington, D.C.: Author.*

29. Data on external debt and debt services are derived from the International Monetary Fund: *International Monetary Fund (2008). Republic of Palau: Selected Issues and Statistics Appendix (IMF Report 08/162). Washington, D.C.: Author.*

30. Information about essential drugs and the difficulties in assessing progress against MDG 8, Target 2 indicator were described by the Public Health epidemiologist of the Palau Ministry of Health in personal communications.

31. Information about barriers to accessing health care (including drugs) is obtained from a 2003 health survey: *Ministry of Health - Community Advocacy Program (2003). 2003 Palau Community Health Assessment, Version 1.4. Koror, Palau: Author.*

32. Information about access to telecommunications was obtained from the Office of Planning and Statistics and the Palau National Communications Corporation. Additional information was obtained from census reports as cited in the chapter.

## Photographs

33. Photographs appearing on pages 2, 14, 18, 22, 26, and 46 are provided by Dr. Caleb Otto. The photograph on page 8 is provided by the Ministry of Education. The photograph on page 32 is provided by the Ministry of Health. The photograph on page 52 is provided by Judy Otto. The photograph on page 38 is a stock photograph.



## Annex 5. Members of the Palau MDG Task Force and Working Group

<b>MDG Task Force</b>	
<b>Member Name</b>	<b>Designation</b>
Dr. Victor M. Yano, Minister of Health, Co-Chairman	Camsek Chin, VP/Minister of Justice, Member
Mario Katosang, Minister of Education, Co-Chairman	Otoichi Besebes, Minister of C & T, Member
Fritz Koshiba, Minister of R & D, Member	Portia Franz, EQPB Executive Director, Member
Youlsau Bells, Environmental Planner, Member	Droteo Nagata, PCAA Executive Director, Member
<b>MDG Working Group</b>	
<b>Member Name</b>	<b>Designation</b>
Judy B. Otto, Local Consultant	Roxanne S. Blesam, EQPB
Regis Emesiochel, MOH	Olai U. Polloi, OERC
Berry Moon Okabe, MOH	Francis Remengesau, Pacific Plan Desk Officer
Ray Mechol, MOE	Keizy U. Shiro, MOE
Rhinehart Silas, MOF	Marcus Hangaripaii, MOF





**Republic of Palau**  
**2008**

