

Question 1.

On November 7th it was reported the Marshall Energy Company (MEC) received roughly \$18.7 million in funding from the U.S. Department of the Interior's Office of Insular Affairs for the installation of three new generators for the Majuro Power Plant. What are the positive impacts these new generators will bring to RMI?

The \$18.7 million U.S. grant to the Marshall Energy Company for three new generators will significantly strengthen the reliability and resilience of electric power generation on Majuro, which is the political, economic, and population center of the Republic of the Marshall Islands.

The Majuro Power Plant supplies electricity to critical national infrastructure, including government operations, hospitals, water and wastewater systems, ports, telecommunications, and commercial activity. The new generators will replace aging equipment that has been increasingly costly to maintain and prone to outages, reducing service disruptions and improving system stability.

The additional generation capacity will allow MEC to better meet peak demand, improve operational efficiency, and reduce the risk of cascading failures during extreme weather events or other system stresses. More reliable power directly supports public health, economic activity, and national resilience, while also lowering long-term maintenance risks and operational costs.

This investment represents a practical and high-impact use of Compact-related assistance, delivering immediate benefits to daily life in the RMI while strengthening the infrastructure foundation necessary for long-term development and stability.

Question 2.

Can you provide a status update regarding the installation of the three new generators?

Following the award of the \$18.7 million U.S. grant, the Marshall Energy Company initiated detailed project planning and technical assessments to prepare for the installation of the three new generators at the Majuro Power Plant. These activities include finalizing equipment specifications, coordinating procurement, and preparing the plant site to accommodate the new units.

MEC is coordinating closely with the Government of the Republic of the Marshall Islands and relevant U.S. partners to manage shipping logistics, site preparation, and installation sequencing. The project is being implemented in a phased manner to ensure that existing electricity service remains stable and uninterrupted throughout installation and commissioning.

Question 2(a).

When do you expect them to come online?

The Marshall Energy Company expects the three generators to be brought online on a **phased basis** following delivery, installation, testing, and commissioning. Final timelines depend on

manufacturing schedules, international shipping logistics, site preparation, and successful completion of system integration and safety testing.

MEC's approach is to commission each generator individually once it meets all technical and operational requirements, allowing new capacity to come online progressively while maintaining system reliability and continuity of service.

Question 3.

The RMI and U.S. signed a ship-rider agreement to help combat Illegal, Unregulated, and Unreported (IUU) fishing, human trafficking, and other international crimes. The PRC is using IUU fishing as a means of power projection in the Pacific and sending their coast guard and navy to exert their influence in the waters of RMI. Could you speak to the positive impacts this agreement with the U.S. has had on RMI?

The ship-rider agreement between the Republic of the Marshall Islands and the United States has significantly strengthened the RMI's ability to exercise sovereignty and enforce its laws across one of the largest Exclusive Economic Zones in the Pacific. By enabling RMI law-enforcement authorities to operate aboard U.S. vessels, the Agreement expands enforcement reach and operational presence in waters that are otherwise difficult to patrol consistently.

From a national security perspective, the Agreement supports **strategic denial** by reducing ungoverned maritime space and limiting opportunities for illegal actors to exploit RMI waters. It enhances deterrence against illegal, unregulated, and unreported fishing and other transnational crimes, including activities used as tools of coercion or power projection.

The Agreement also strengthens maritime governance, protects marine resources that are central to food security and economic sustainability, and reinforces the RMI–U.S. partnership in support of a free, open, and rules-based Pacific.

Question 3(a).

How else can the U.S. and RMI seek to build upon this existing framework for future opportunities of cooperation?

The Republic of the Marshall Islands and the United States can build upon the ship-rider framework through **dual-use infrastructure investments** that support both civilian development and shared security objectives. These investments strengthen the practical foundation for cooperation while delivering tangible benefits to the RMI population.

Dual-use infrastructure such as ports, airfields, power generation, communications systems, and logistics facilities enhance maritime enforcement and operational access while also supporting economic activity, disaster response, and national resilience. Strengthening this infrastructure allows cooperation to be sustained in a manner that is practical, transparent, and aligned with development priorities under the Compact of Free Association.

By focusing on dual-use investments, the RMI and the United States can reinforce sovereignty, support strategic denial of access to the RMI's EEZ by forces of other nations, and deepen long-term cooperation in a way that integrates security objectives with infrastructure and economic development.

Question 4.

The COFA requires the Freely Associated States and the Department of Veterans Affairs (VA) to enter into negotiated agreements to provide veterans' benefits to U.S. veterans in each respective country. What is the current status of RMI's negotiations with the VA?

The Republic of the Marshall Islands engaged in sustained consultations with the United States Department of Veterans Affairs beginning in approximately September 2024. These consultations were conducted on a regular, monthly basis and were intended to allow the VA to assess the capacity of the RMI health system as a necessary precursor to negotiating an agreement to provide veterans' health care services in the Marshall Islands for RMI citizens who were recruited for United States military service in the RMI.

During these consultations, the RMI and the VA addressed a wide range of technical and operational matters, including pharmaceutical formularies, licensing and credentialing pathways for outside physicians, insurance and reimbursement systems, diagnostic capabilities, and the availability of equipment and services at the RMI's main hospital. The discussions were comprehensive and designed to address all practical considerations related to health care delivery.

The last consultation took place in March 2025. At that point, the parties concluded that assessment phase. We were told that the next step was to be internal U.S. interagency planning for the agreement that the Secretary of Veterans Affairs is required by the Compact Amendments Act to negotiate to enable the healthcare the Marshall Islands to which U.S. veterans in the Marshall Islands are entitled or travel to where such care could be provided. The hope was for Compact Act care to commence as early as the summer of 2025.

The Republic of the Marshall Islands is eager to negotiate the agreement required by the Compact Act, so that RMI citizens who are also U.S. veterans can access the health care services they have earned and to which they are entitled by law.

Question 5.

The U.S.' commitment to veterans of the Freely Associated States sends a strong message about the broader U.S. commitment to the FAS and COFA. How can Congress work with you to ensure the VA is implementing these provisions as Congress intended?

Congress plays a central role in ensuring that the veterans' health care provisions of the Compact of Free Association are implemented as Congress intended. That intent has been clearly expressed through the Department of Veterans Affairs appropriations enacted into law in November, and the National Defense Authorization Act in December, Senate passage of another

bill that would mandate Compact Act care in December, and ongoing legislative consideration of a counterpart to the Senate bill in the House Committee on Veterans Affairs.

I testified on the House legislation, which was introduced by Congresswoman King-Hinds of the Commonwealth of the Northern Mariana Islands and co-sponsored by Congresswoman Radewagen, the *U.S. Vets of the Freely Associated States Act*, before the Veterans Affairs Health Subcommittee the day before this hearing.

I was cautiously encouraged to by the Department of Veterans Affairs formal statement at the hearing that it supported the intent of the legislation and wanted to work with congressional committees and other Executive branch agencies to perfect the legislation.

Congress can work with the Republic of the Marshall Islands by continuing to exercise oversight, reinforcing clear expectations for implementation, and encouraging the Department of Veterans Affairs to engage with the RMI to reach the necessary agreement. Such engagement would that congressional intent—reflected in the Compact Amendments Act after bilateral negotiations, the FY26 Appropriations Act, the NDAA, the Senate bill, and the pending legislation in the House—is translated into the care negotiated for care.

The Republic of the Marshall Islands stands ready to work with Congress and the Department of Veterans Affairs to implement these provisions in a manner that honors the service of RMI citizens who are also United States veterans and reflects the broader U.S. commitment to the Freely Associated States under the Compact and our commitment to the U.S.

Question 6.

It is my understanding that RMI's FY23 single audit reports have yet to be submitted. It is important that Congress provides oversight on the use of taxpayer dollars to ensure they are used efficiently. Please provide updates as to when the single audit report will be submitted.

The Republic of the Marshall Islands' FY23 single audit is currently being finalized and is nearing completion. The Government of the Republic of the Marshall Islands has been working closely with its external auditor, Ernst & Young, to complete the audit and submit it as expeditiously as possible.

At the same time, Ernst & Young has commenced work on the FY24 single audit. The RMI has adopted a structured approach to accelerate audit completion and restore full timeliness. Under this approach, the Government's objective is to complete and publish a single audit approximately every six months until the audit cycle is fully caught up.

The Republic of the Marshall Islands is on schedule under this plan and remains committed to transparency, accountability, and the responsible stewardship of public funds.

Question 6(a).

What plans does RMI have to improve the timeliness of their single audit submissions?

The Republic of the Marshall Islands has implemented a structured plan to improve the timeliness of its single audit submissions by maintaining a continuous audit cycle with its external auditor, Ernst & Young. Rather than treating each audit as a standalone effort, this approach allows audit work to proceed more efficiently and with greater continuity across fiscal years.

Under this plan, the Government's objective is to complete and publish a single audit approximately every six months until all outstanding audits are fully caught up. In parallel, the RMI is strengthening internal financial reporting, documentation, and coordination across government agencies to ensure that required information is available earlier in the audit process.

These measures are intended to support sustained, on-time audit submissions going forward and to reinforce transparency, accountability, and effective congressional oversight.