To amend title 18 of the Code of the Federated States of Micronesia by amending sections 101, 102, 103, 104, 105 and 107 and by adding a new section 108 to establish an Exclusive Economic Zone in the ocean surrounding the Federated States of Micronesia, to expand the size of the Territorial Sea, to make the chapter consistent with the current political status of the Federated States of Micronesia, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

Section 1. Section 101 of title 18 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 101. **Baseline system defined.** A baseline is a continuous line which encircles an island or atoll. The baseline from which the zones designated in this chapter are to be measured is as follows:

(1) The baseline of an island or portion of an island lacking a barrier reef, fringing reef, or other reef system is the low-water line of the island as marked on large-scale charts officially recognized by the Government of the Federated States of Micronesia.

(2) The baseline of an atoll or island or portion of an island having a barrier reef, fringing reef, or other reef system is a line following the contour of the seaward edge of the reef system, which line connects those outermost elevations of the reef which are above water at low tide, and which line exists as marked on large-scale charts officially recognized by the Government of the Federated States of Micronesia."

Section 2. Section 102 of title 18 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 102. Territorial Sea and internal waters -
Defined.

(1) There is hereby established a Territorial Sea of twelve nautical miles breadth. The inner boundary of the Territorial Sea of each island or atoll is the baseline as defined in section 101 of this title. The outer boundary is a line, every point of which is twelve nautical miles seaward of the nearest point of the baseline.

(2) Waters landward of the baseline, including the lagoons of atolls or islands, are internal waters."

Section 3. Section 103 of title 18 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 103. Territorial Sea and internal waters - Sovereignty. The sovereignty of the Federated States of Micronesia extends to its internal waters and Territorial Sea, including sovereign rights over the living and nonliving resources in the Territorial Sea and internal waters and in the airspace above the Territorial Sea and internal waters as well as its bed and subsoil."

Section 4. Section 104 of title 18 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 104. Exclusive economic zone - Defined. There is hereby established an exclusive economic zone contiguous to the Territorial Sea. The inner boundary of the exclusive economic zone of each island or atoll is the seaward boundary of the Territorial Sea, and the outer
boundary is a line, every point of which is two hundred
nautical miles seaward of the nearest point on the baseline
as defined in section 101 of this title."

Section 5. Section 105 of title 18 of the Code of the Federated
States of Micronesia is hereby amended to read as follows:

"Section 105. Exclusive economic zone—Regulation.
Within the exclusive economic zone, the National Government
of the Federated States of Micronesia shall have:

(1) Sovereign rights for the purpose of exploring and
exploiting, conserving and managing the natural resources,
whether living or nonliving, of the waters superjacent to
the seabed and of the seabed and its subsoil, and with
regard to other activities for the economic exploitation
and exploration of the zone;

(2) Jurisdiction with regard to the establishment and
use of artificial islands, installations, and structures;
marine scientific research; and the protection and
preservation of the marine environment; and

(3) Other rights and duties provided for in
international law."

Section 6. Section 107 of title 18 of the Code of the Federated
States of Micronesia is hereby amended to read as follows:

"Section 107. Regulations. The President of the Federated
States of Micronesia may issue such regulations as are
necessary to establish the boundaries of internal waters,
the Territorial Sea, and the exclusive economic zone."

Section 7. Chapter 1 of title 18 of the Code of the Federated States of Micronesia is hereby amended by adding a new section 108 to read as follows:

"Section 108. Definitions. As used in this chapter:

(1) 'Atoll' means a naturally formed reef system which has one or more islands situated on the reef system, including Ngulu, Ulithi, Sorol, Eauripik, Woleai, Faraulep, Ifalik, Olaimarao, Elato, Lamotrek, West Fayu, Puluwat, Pulap, Pulusuk, Namonuito, Kuoop, Nomowin, Murilo, Losap, Namoluk, Satawan, Etal, Lukunor, Minto Reef, Oroluk, Nukuoro, Kapingamarangi, Pakin, Ant, Sapwuafik, Mwoakiloa, and Pingelap.

(2) 'Island' means a naturally formed area of land, surrounded by water, which is above water at high tide."

Section 8. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

December 16, 1988

John R. N. Nigi
President
Federated States of Micronesia