

# Republic of Palau Business Regulations and General Business Resources

*What you should know about operating a business in Palau*



Palau Small Business Development Center  
Palau Community College  
P.O. Box 9  
Koror, Palau 96940

November 2005

## **In partnership with the PISBDCN and the U.S. Small Business Administration**

The Palau Small Business Development Center (SBDC) is part of the Palau Ministry of Commerce & Trade and the Pacific Islands Small Business Development Center Network (PISBDCN), and is sponsored by the U.S. Small Business Administration (SBA) under Cooperative Agreement #5-603001-0058. This Cooperative Agreement is partially funded by the U.S. Small Business Administration. The support given by the U.S. SBA does not constitute an expressed or implied endorsement of any of the cosponsors or in participants' products, opinions, or services. All SBA funded programs are extended to the public on a non-discriminatory basis.

## Introduction

This guide has been prepared by the Palau Small Business Development Center to assist all existing and prospective business people in understanding all applicable “rules and regulations” which they must abide by in order to operate a business in the Republic of Palau. It is not the intention of this manual to be an interpretation of the laws in the Republic of Palau. Rather, this manual is to be used as a guideline to reference which regulations are pertinent to any particular business owner. It is the responsibility of all business owners and managers to contact the appropriate regulatory agencies for comprehensive information about the laws that may apply to their business (es).

Additionally, this guide also provides a listing of locally available business resources and their contact information. The listing is intended to facilitate the linkages of business owners with local business resources.

If you need further assistance and/or guidance in finding information, please contact:

Palau Small Business Development Center  
c/o Palau Community College  
P.O. Box 9  
Koror, PW 96940

Phone: (680) 488-6004  
Fax: (680) 488-1549/2447  
**Email :** [palausbdc@palaunet.com](mailto:palausbdc@palaunet.com)  
**Web Site:** [www.pacificsbdc.com](http://www.pacificsbdc.com)

## TABLE OF CONTENTS

### 1. Business Regulations

1.1	Social Security Tax	Page 4
1.2	Employer Identification Number	Page 4
1.3	Worker's Social Security Number	Page 5
1.4	Gross Revenue Tax	Page 5
1.5	Wages and Salary Tax	Page 5
1.6	Import Tax	Page 6
1.7	Other Taxes	Page 6-7
1.8	Business License (National)	Page 7
1.9	Business Licenses (State)	Page 8-9-10
1.10	Registration of Corporations & Partnerships	Page 10
1.11	Foreign Investment Permit	Page 11
	1.11a – Investor Visas	Page 11
1.12	Entry and Work Permits	Page 12
1.13	Historical Clearance Permit	Page 12
1.14	Environmental Quality Protection Board Regulations	Page 12-13
1.15	Tour Operator License	Page 13
1.16	Food Import/Export License	Page 13-14
1.17	Food Handler's License	Page 14-17
1.18	Alcohol License	Page 17
1.19	Fishing License/Foreign Fishing Permits	Page 17-18
1.20	Helen Reef Special Permit	Page 18-19
*	Real Property Law	Page 19

### 2. General Business Resources

2.1	Lending Institutions	Page 20-21
2.2	Public Utilities	Page 21-22
2.3	Water	
	2.3a – Utility	Page 22
2.4	Telecommunication	Page 22-23
2.5	Air Transportation/Shipping	Page 23-24
2.6	Ocean Transportation/Shipping	Page 24
2.7	Lawyers	Page 25
2.8	Public Accountants	Page 25
2.9	General Appraisal Services	Page 25
2.10	Business Development Assistance	Page 25-26-27
2.11	Chamber of Commerce	Page 27
2.12	Tourism Association	Page 27
2.13	Technical Training Resources	Page 27
2.14	Grant Sources	Page 28
2.15	Foreign Aid	Page 28
2.16	Statistics	Page 29

## **1. National Regulations**

### **1.1 Social Security Tax**

Each employer is required to collect employee contributions payable from each of his/her employees by deducting the amount of the Contribution from each payment of remuneration. The employee contribution rate is 6%, with the matching employer contribution of 6%, which each employer must report quarterly to the Social Security Administration and pay all amounts of contributions due at the end of each quarter, but not later than the month following the end of the quarter. The maximum taxable wage during any quarter is \$3,000. Employers are liable for penalty for failure to report and pay as required by law. Penalty is 100% the tax due or \$250.00, which ever is greater, and 1% interest per month for any unpaid amount.

Self-employed persons without employee(s) with gross revenues of \$10,000 per year are also required to report and pay Social Security taxes; payment of taxes is optional for self-employed persons with no employees whose yearly gross revenue is less than \$10,000. The Social Security Administration encourages all self-employed persons to report and pay their contributions in order to be covered for benefits. Minimum creditable wage is \$300 in any quarter.

*Contact Information: Social Security Administration; Gregorio Ngirmang, Administrator; P.O. Box 679, Koror, Palau 96940; Phone: (680) 488-2457; Fax: (680) 488-1470; E-mail: [administration@ropssa.org](mailto:administration@ropssa.org); URL: <http://www.ropssa.org>*

### **1.2 Employer Identification Number**

All employers or self-employed persons doing business in the Republic of Palau must apply for and receive an Employer Identification Number (EIN) from the Social Security Administration office. The interested businessperson must complete the "Application for Employer Number" form and pay the appropriate fees (\$15 for first-time Employers, \$10 for previous Employers). The Palau Social Security Administration will then assign the applicant an Employer Identification Number (EIN), which must be entered on the Employer's Quarterly Tax Returns. The EIN is required in order to apply for a business license from the Division of Revenue and Taxation.

*Contact Information: Social Security Administration; Gregorio Ngirmang, Administrator; P.O. Box 679, Koror, Palau 96940; Phone: (680) 488-2457; Fax: (680) 488-1470; E-mail: [administration@ropssa.org](mailto:administration@ropssa.org); URL: <http://www.ropssa.org>*

### **1.3 Worker's Social Security Number**

Every person that is employed, is required to obtain a Social Security Number. A fee of \$2.00 will be assessed at the time of processing. The applicant must submit documentary evidence of age, identity, and citizenship or legal alien status before the application can be processed (i.e. birth certificate or passport). Persons age 18 or over must apply in person for a Social Security card. The Social Security Administration will then assign the applicant a number, which must be presented to all employers when hired. Social Security cards should be shown to employers and every employer should be careful to record each employee's Social Security Number. Social Security Numbers should be accurately reported on the Employer's Quarterly Tax Return.

*Contact Information: Social Security Administration; Norma Wally, Employer Services Manager; P.O. Box 679, Koror, Palau 96940; Phone: (680) 488-2457; Fax: (680) 488-1470*

### **1.4 Gross Revenue Tax**

Palau is one of the lowest taxed business environments in the Asia-Pacific region. There is no corporate tax nor is there any taxation of income for business owners. Instead, Palau has enacted a Unified Tax Act, which is codified at Division 2 of Title 40 of the Palau National Code. Under the Act, the national government levies three general types of taxes. The principal form of tax is the Gross Revenue Tax (GRT) of 4%, which applies to all businesses operating in the islands, however; no tax is payable where annual gross revenue is \$2,000 or less. The GRT essentially applies to all revenue you may receive, whether in the form of cash or property, from sources other than wages and salaries from which your employer has withheld the wages and salary tax.

*Contact Information: Division of Revenue & Taxation; John R. Temengil, Tax Officer I; P.O. Box 6069, Koror, Republic of Palau, 96940; Next to Division of Finance; Phone: (680) 488-2465/2580/3303; Fax: (680) 488-3844; E-mail: [jrtemengil@palaugov.net](mailto:jrtemengil@palaugov.net)*

### **1.5 Wages and Salary Tax**

Every employee is required to pay wages and salary taxes regardless of the amount of wages and salary received. Employers are required to assess, levy, and collect such taxes from wages and salaries paid to their employees. The rate is currently six percent (6%) on the first \$8,000 earned and twelve percent (12%) on any amount earned over \$8,000.00. The wage and salary tax is a tax on the employee's earnings. As such, the employer of the Republic holds the tax in trust within 30 days from the date of disbursement of the wages and salary to the employee. No tax is payable where the annual compensation is \$2,000 or less.

*Contact Information: Division of Revenue & Taxation; John R. Temengil, Tax Officer I; P.O. Box 6069, Koror, Republic of Palau, 96940; Next to Division of Finance; Phone: (680) 488-2465/2580/3303; Fax: (680) 488-3844; E-mail: [jrtemengil@palaugov.net](mailto:jrtemengil@palaugov.net)*

---

In partnership with the PISBDCN and the U.S. Small Business Administration

## 1.6 Import Tax

Every person who imports into the Republic any of the enumerated products in the "General Information on Tax Laws and Business Licenses" shall pay import tax regardless of purposes. The amount to be charged varies depending on the type of item being imported. Things needed through the Airport: airway bill, invoice, packing lists, bill of sale. Things needed through Port: Bill of landing, invoice, packing lists, bill of sale. All things must bear a value. \*\*Foreign businesspersons must show proof of employment, FIB permit, and business license. \*\*

*Contact Information: Division of Revenue & Taxation; John R. Temengil, Tax Officer I; P.O. Box 6069, Koror, Republic of Palau, 96940; Next to Division of Finance; Phone: (680) 488-2465/2580/3303; Fax: (680) 488-3844; E-mail: [jrtemengil@palau.gov.net](mailto:jrtemengil@palau.gov.net)  
Division of Customs; John Tarkong Jr., Chief; P.O. Box 1611 Koror, Palau, 96940; Malakal Island – Supply Building; Phone: (680) 488-1985/6031; Fax (680) 488-4405; e-mail: [rop.customs@palaunet.com](mailto:rop.customs@palaunet.com)*

## 1.7 Other Taxes

**Hotel Room Tax** – An excise tax imposed on the guests of a room or rooms in a hotel, lodging house or similar facility in the Republic. Hotelkeepers are required to itemize this tax on each statement of charges to said guest, to collect that amount, and to pay it to the Republic. The hotel room tax is ten percent (10%) of the net room rate.

**Vessel Cabin Tax** – An excise tax levied against paying passengers taking overnight cabin accommodations on ships or water vessels. Such tax is equal to 10% of the charge for such accommodations, or \$10 per day, or part thereof whichever is greater.

**Amusement Device Tax** – Every person who owns a coin-activated amusement device is required to pay a tax for each device within 30 days of its purchase and thereafter annually on or before January 31. The rate is \$500.00 for each device that simulates the playing of any card game. All other types of devices are taxed at a rate of \$200.00 each (Form No. TAX 302)

**Departure Head Tax** – Every person departing from the Republic of Palau except airlines crews, diplomats, students, medical referrals, and one (1) escort and children under 3 years old, shall pay departure head tax of \$20 for every non-citizen and \$10 for every citizen departing the Republic of Palau. Generally, tax is collected by the airline at the time of departure.

**Road Use Tax** – An annual road user's tax will be assessed and levied on all motor vehicles, except certain vehicles owned by state governments, to be paid at the time of registration of each vehicle as follows:

All motor vehicles weighing 2,000 lbs. or less	\$50.00
All motor vehicles weighing between 2,000 lbs. & 4,000 lbs.	\$75.00
All motor vehicles weighing 4,000 lbs. or more	\$150.00

Fish Export Tax – Every person exporting any species of tuna or any species of billfish in any form whatsoever for commercial purposes shall be assessed a tax of \$0.25 per kilogram to be paid at the time of export (RPPL 5-8)

Foreign Water Vessel Tax – Except for common carriers, all watercraft owned or operated by non-residents entering the waters of the Republic of Palau shall pay a tax of \$50.00 upon entry and an additional \$25.00 if present in the Republic for more than a year.

*Contact Information: Division of Revenue & Taxation; John R. Temengil, Tax Officer I; P.O. Box 6069, Koror, Republic of Palau, 96940; Next to Division of Finance; Phone: (680) 488-2465/2580/3303; Fax: (680) 488-3844; E-mail: [jrtemengil@palaugov.net](mailto:jrtemengil@palaugov.net)*

### **1.8 Business License (National)**

Any person, partnership, corporation, or association engaging in business in the Republic of Palau shall, as a condition precedent to engage in or continue to engage in business, obtain a license to engage in business and pay the required annual fee. The business license fee is non-refundable and cannot be prorated. Application for a business license can be obtained at the Division of Revenue and Taxation during the regular governmental working hours except holidays. The Division of Revenue and Taxation processes all registration forms, issues registration certificates and processes all business license applications and issues business license certificates. The completed application form can be forwarded along with a payment covering the license fee either in person or by mail to the same office. Every business is required to obtain a business identification number and/or tax identification number from the Social Security Administration. The business license fee varies depending on the type of business engaged:

1.	Wholesaler	\$300.00
2.	Importer	\$200.00
3.	Person engaging in a profession	\$300.00
4.	Massage parlor operator	\$500.00
5.	Solicitor	\$500.00
6.	Peddler	\$20.00 per day
7.	Other, general	\$50.00

Every business license issued shall expire on the 31<sup>st</sup> day of December of each year regardless of when issued.

*Contact Information: Division of Revenue & Taxation; John R. Temengil, Tax Officer I; P.O. Box 6069, Koror, Republic of Palau, 96940; Next to Division of Finance; Phone: (680) 488-2465/2580/3303; Fax: (680) 488-3844; E-mail: [jrtemengil@palaugov.net](mailto:jrtemengil@palaugov.net)*

## 1.9 Business Licenses (State)

Aimeliik State – No state (business) license is require

*Contact Information: Aimeliik State Government; P.O. Box 458, Koror, Republic of Palau, 96940; Phone: (680)544-2967; Fax: (680)544-2967*

Airai State – A state business license is required. License fees range from \$20.00 to \$100.00 per year, depending on the nature of the business. No business license shall be issued for any business engaging in the collection of sea cucumber or any related sea animals.

*Contact Information: Airai State Government; P.O. Box 8009, Koror, Republic of Palau, 96940; Phone: (680)587-3511/2135; Fax: (680)2000; E-mail: [airaigov@palaunet.com](mailto:airaigov@palaunet.com)*

Angaur State – No state business license is required.

*Contact Information: Angaur State Government; P.O. Box 100, Koror, Republic of Palau, 96940; Phone: (680)277-2967/488-5282; Fax: (680)488-3858*

Hatohobei State – No state business license is required.

*Contact Information: Hatohobei State Government; P.O. Box 1017, Koror, Republic of Palau, 96940; Phone: (680)488-2218; Fax: (680)488-5149*

Kayangel State –

*Contact Information: Kayangel State Government; P.O. Box 1046, Koror, Republic of Palau, 96940; Phone: (680)488-2766/876-2967; Fax: (680)488-6238*

Koror State – A state business license is required. A license fee of fifty (\$50.00) dollars will be collected for each retail store Class A, movie theater, building contractor, furniture manufacturer, and boat building and repair shop association or corporation. A license fee of forty (\$40.00) dollars will be collected for each scrap metal collecting business. A license fee of thirty (\$30.00) dollars will be collected for each retail store Class B and non-associated or non-incorporated boat building and repair shop. Other Classes and respective fees do apply to other businesses. Inquire at the state office for further information.

*Contact Information: Koror State Government; P.O. Box 116, Koror, Republic of Palau, 96940; Phone: (680)488-8600/2576/6678; Fax: (680)488-2862*

Melekeok State –

*Contact Information: Melekeok State Government; P.O. Box 6042, Koror, Republic of Palau, 96940; Phone: (680)488-2728/6512*

Ngaraard State – A state business license is required. All licenses shall be issued on a calendar year basis, and regardless of when issued, shall expire on the 31<sup>st</sup> day of December of the year for which issued or renewed. All original fees shall be prorated and one fourth of the annual fee charged for each quarter, or portion of a quarter remaining in the calendar year from the date of issuance. Please visit the state office, fill out the application, and pay the appropriate fee. Depending on the type of business being engaged, the fee varies between \$10.00 and \$75.00. Payments should be made at the Ngaraard State government office.

*Contact Information: Ngaraard State Government; P.O. Box 6026, Koror, Republic of Palau, 96940; Phone: (680)488-1320/4490/5740; Fax: (680)488-4855; E-mail: [demok@palaunet.com](mailto:demok@palaunet.com)*



Ngarchelong State – No state business license is required.

*Contact Information: Ngarchelong State Government; P.O. Box 1504, Koror, Republic of Palau, 96940; Phone: (680)488-2871/6508; Fax: (680)488-3966*

Ngardmau State –

*Contact Information: Ngardmau State Government; P.O. Box 6015, Koror, Republic of Palau, 96940; Phone: (680)488-1401/747-2967*

Ngaremlengui State – A state business license is required. The business license carries a one (1) year tPlease visit the state office and fill out the application and pay the appropriate fee.

Depending on the type of business being engaged, the fee varies between \$20.00 and \$125.00. Payments should be made at the Ngaremlengui State government office.

*Contact Information: Ngaremlengui State Government; Imelda, Accountant; P.O. Box 74, Koror, Republic of Palau, 96940; Phone: (680)733-2967/488-2190; Fax: (680)733-1073*

Ngatpang State – A state business license is required. No person, company, or business association shall do or transact any form of business in Ngatpang State without first applying for and obtaining a business license from the Office of the Governor of Ngatpang State. An applicant must pay an annual business license fee of not less than \$50.00 and no more than \$200.00, depending on the type and size of the business.

*Contact Information: Ngatpang State Government; P.O. Box 6008, Koror, Republic of Palau, 96940; Phone: (680)488-1882/535-2967; Fax: (680)488-6810*

Ngchesar State – A state business license is required. All licenses shall be issued on a calendar year basis, and regardless of when issued, shall expire on the 31<sup>st</sup> day of December of the year in which it was issued or renewed and shall be displayed to the public at the business location. Please visit the state office, fill out the application, and pay the appropriate fee. Depending on the type of business being engaged, the fee varies between \$5.00 and \$20.00. All original fees shall be prorated when said with one-half of the annual fee charged for each half remaining in the calendar year from the date of issuance.

*Contact Information: Ngchesar State Government; Chabby Mai, Procurement Officer; P.O. Box 6025, Koror, Republic of Palau, 96940; Phone (680)488-2636/6513; Fax: (680)488-6111; E-mail: [ngsgov@palaunet.com](mailto:ngsgov@palaunet.com)*

Ngiwal State – A state business license is required. License fees vary according to business type and fees range anywhere from \$10.00 to \$150.00.

*Contact Information: Ngiwal State Government; P.O. Box 10288, Koror, Republic of Palau, 96940; Phone: (680)488-3263/488-3264/679-2967; Fax: (680)488-3254; E-mail: [nsgmik@palaunet.com](mailto:nsgmik@palaunet.com)*

Peleliu State –

*Contact Information: Peleliu State Government; P.O. Box 6035, Koror, Republic of Palau, 96940; Phone: (680)488-1780/1817; Fax: (680)488-1817*

Sonsorol State – No state business license is required.

*Contact Information: Sonsorol State Government; P.O. Box 1077, Koror, Republic of Palau, 96940; Phone: (680)488-1237/5501; Fax: (680)488-5501; E-mail: [sonsorol@palaunet.com](mailto:sonsorol@palaunet.com)*

### **1.10 Registration of Corporations & Partnerships**

Corporation – A corporation for profit may be organized as provided the following requirements:

- Filing Fee: The incorporators shall submit a non-refundable filing fee of \$250.00
- Articles of Incorporation: The Articles shall contain the following particulars: 1) the name of the corporation, 2) place, 3) purpose, 4) shares, 5) directors, 6) duration, 7) incorporators, 8) voting, 9) disposition, 10) liquidation, 11) amendments, 12) ownership, 13) foreign ownership.
- By-Laws: Any other lawful provisions, which may be desired by the corporation for the purpose of defining, limiting, or regulating the powers of the corporation and the powers and duties of its board of directors.
- Articles of Incorporation, Charters, Amendments, Filed and Recorded Where.
- Affidavit: An affidavit shall set forth the following information: 1) number of authorized shares of the stock of each class, 2) par value of such shares, 3) names of subscribers for shares of each class, 4) number of shares of each class subscribed for by each subscriber, 5) subscription price or prices for the shares of each class subscribed.
- Proof of Paid-In Capital: Bank statement, receipt, or other documentation of amount paid into the corporation as paid-in capital.
- Capital Necessary to Engage in Business
- Officers
- Implied Powers
- Power to Hold Title to Land: Only a corporation wholly owned by citizens of the Republic of Palau may hold title to land in the Republic.

Inquire with the Office of the Attorney General for further details on the above requirements. Consult an attorney for a complete and thorough listing of all the requirements under 12 PNC 1 and the Corporate Regulations.

Partnership – Any general or limited partnership formed under the laws of Palau to do business in Palau or any partnership formed under the laws of any other jurisdiction to do business in Palau must provide the following information to the Office of the Registrar:

- Name and mailing address of the partnership
- Nature of partnership (i.e. general, limited, special or other)
- Name, citizenship, residence and mailing address of each partner and whether he is a general, limited, special, or other kind of partner
- Nature of the partnership business
- Location of principal place of business of the partnership
- Jurisdiction under whose laws the partnership was formed and the date formed
- Date which the partnership began or will begin doing business in Palau
- Personal certification whether one of the partners is a minor or an incompetent person
- Information regarding Foreign Investment Permit (if applicable)

*Contact Information: Office of the Attorney General; Frederick Reynolds, Assistant AG; P.O. Box 1365, Koror, Republic of Palau, 96940; Phone: (680)488-2481; Fax: (680)488-3329; E-mail: [agoffice@palaunet.com](mailto:agoffice@palaunet.com)*

---

In partnership with the PISBDCN and the U.S. Small Business Administration

### **1.11 Foreign Investment Permit**

Palau Foreign Investment Board is established by 28 PNC Section 101 et seq. to (1) review, evaluate, and approve applications and proposals for Foreign Investment Approval Certificates (FIAC); (2) monitor and enforce compliance with the terms and conditions of any granted FIAC, the Foreign Investment Act and regulations; (3) to promulgate regulations and advise the President on the implementation and improvement of the laws and regulations. FIAC application filing fee is \$500.00 non-refundable, payable to the National Treasury.

Attachments to the FIAC application are personal financial statement, copies of passport, police clearance, and resume. Twenty copies of the FIAC application with attachments have to be submitted to the FIB office. The Board shall issue its decision on each FIAC application within 90 days after submittal of such complete application. PNC Title 28 was amended in 1994 to reserve certain business activities for Palau citizens only; wholesale or retail sale of goods, all land transportation including bus services, taxi and car rentals; tour, fishing and diving guides, and any other form of water transportation; travel and tour agencies; and commercial fishing. For further information, please contact the FIB office.

*Contact Information: Palau Foreign Investment Board; Encely Ngiraiwet, Executive Officer; P.O. Box 1733, Koror, Palau, 96940; Located in the President's Office Building in Meyuns, Koror; Phone: (680)488-1135/2073; Fax: (680)488-3722; E-mail: [fibpalau@palaunet.com](mailto:fibpalau@palaunet.com); URL: <http://palau-investment.com>*

#### **1.11a Investor Visas**

Investor Visas shall be issued to all aliens who have applied for and have been issued a Foreign Investment Approval Certificate ("FIAC") allowing them to conduct business in the Republic, and who are otherwise qualified for a visa to enter the Republic.

Application for an Investor Visa shall be accompanied by (i) a clearance from the Bureau of Public Safety, if the alien is present in the Republic for more than nine months, otherwise by police clearance from the applicant's place of residence prior to arrival in Palau, (ii) a sworn statement from the applicant that he has never been convicted of a felony, (iii) a physical exam report, and (iv) two recent photographs of applicant. Such visa shall be issued without fee for a period of five (5) years or for the term of FIAC, whichever is shorter, and shall be renewable for as long as the alien maintains a valid FIAC and otherwise remains qualified to hold a visa. Aliens already present in the Republic who wish to obtain an Investor Visa must apply for an Investor Visa in the same manner and under the same terms and conditions as for an applicant outside of the Republic, except that the fee for issuance of such a visa shall be US\$50.00.

*Contact Information: Bureau of Immigration; Benito Thomas, Director; P.O. Box 7076, Koror, Republic of Palau, 96940; Phone (680)488-2498; Fax (680)488-4385; E-mail: [imm@palaunet.com](mailto:imm@palaunet.com)*

## **1.12 Entry and Work Permits**

Employers in the private sector seeking to employ non-resident workers in the Republic of Palau shall secure identification certificates for such workers by applying to the Division of Labor, Bureau of Human Resources, Ministry of Commerce and Trade before such workers may enter the Republic. Certain conditions of employment shall be met by the employers and by the non-resident workers. Certain regulatory powers may be exercised by the Division of Labor, Bureau of Human Resources. The application fee for each person is \$18.00. Each non-resident worker must be contracted for two (2) years and each contract fee is \$300.00. Additionally, each contract worker must pass security clearance from his or her respective home country. Contact the Division of Labor for more details regarding other requirements.

*Contact Information: Division of Labor, Ministry of Commerce and Trade; Russell Masayos, Director; Koror, Republic of Palau, 96940; Phone: (680)488-2497/2544; Fax: (680)488-4353; E-mail: [mincat@palaunet.com](mailto:mincat@palaunet.com)*

## **1.13 Historical Clearance Permit**

Before any undertaking or development project begins which will involve earthmoving and/or alteration or demolition of any historic property a Historic Clearance Permit must be obtained from the Bureau of Arts and Culture office. An Application for Historic Clearance is available at the Bureau of Arts and Culture and must be completely filled, signed, and submitted with a location map, plot map, construction plan, excavation and grading plan, and any additional pertinent documents.

*Contact Information: Bureau of Arts and Culture, Historic Preservation Office, Ministry of Community and Cultural Affairs; Vicky Kenai or Rita Olsudong; P.O. Box 100, Koror, Republic of Palau, 96940; Phone: (680)488-2489/3361; Fax: (680)488-2657/3594; E-mail: [histpres@palaunet.com](mailto:histpres@palaunet.com)*

## **1.14 Environmental Quality Protection Board (EQPB) Regulations**

The purpose of Title 24 Palau National Code Annotated (24 PNCA), the Environmental Quality Protection Act, is to ensure protection of the environment while promoting sustainable economic development. The Act created the Environmental Quality Protection Board (EQPB), a semi-autonomous agency of the Republic, responsible for the protection and conservation of the environment.

EQPB regulations are divided into 8 sections: (1) Earthmoving, (2) Marine and Freshwater Quality, (3) Toilet Facilities, (4) Solid Waste Management, (5) Pesticides, (6) Public Water Supply Systems, (7) Environmental Impact Statements, (8) Air Pollution Control. Those starting a business should contact the EQPB to discuss the nature of the operation and determine what type of permitting will be required. Large operations, or those using materials posing a possible threat to the environment, or located in sensitive areas, should consult with the EQPB well in advance. In some instances, and environmental assessment (EA) or environmental impact statement (EIS) will be necessary (EQPB Regulation 2401-61). An EA can be accomplished in months; an EIS could take a year or more.

In partnership with the PISBDCN and the U.S. Small Business Administration

---

Earthmoving Permits (commercial fee of \$100) are the most common. Earthmoving is broadly defined as any activity that disturbs or alters the surface of the land (or reef). This covers almost all construction activities. The applicant should come in with a conceptual plan and discuss with EQPB staff about erosion control measures and the need for additional permits such as toilet hookups or discharge permits that may be included in the Earthmoving Permit.

*Contact Information: Environmental Quality Protection Board; Terangue Gillham Remengesau, Executive Officer; P.O. Box 8086, Koror, Palau, 96940; Located in the Bureau of Public Works building; Phone: (680)488-1639/3600; Fax: (680)488-2963; E-mail: [eqpb@palaunet.com](mailto:eqpb@palaunet.com)*

### **1.15 Tour Operator License**

Requirements:

1. Copy of Koror State Business license
2. Copy of National Business license
3. Copy of receipt for Tour operator license fee (Paid to National Treasury, \$150.00). Bring the original receipt to PVA; they will make a photocopy for yours to keep.
4. List of Assets
  - a. Provide copy of vehicle registration cards for buses or any automobile that is owned by company.
  - b. If company owns boats provide:
    - i. Copy of boat registration – Boat for Hire license issued by Department of Marine Law
    - ii. Copy of Koror State Water Safety license
    - iii. Copy of Motorboat operator license for motorboat operators
5. List of Employees
  - a. Copy of working permits for non-Palauan employees
  - b. Copy of dive instructor licenses
6. If Corporation please provide copy of Corporate Charter, FIB (Foreign Investment Board), FIAC (Foreign Investment Approval Certificates)
7. Insurance
8. Notarize application form  
\*\* Please make three (3) copies if new business. One (1) copy, if renewing business license.

*Contact Information: Palau Visitors Authority; P.O. Box 256, Koror, Palau, 96940; Located in Medalaii Hamlet; Phone: (680)488-2793/1930; Fax: (680)488-1453; E-mail: [pva@visit-palau.com](mailto:pva@visit-palau.com); URL: <http://www.visit-palau.com>*

### **1.16 Food Import/Export License**

1. *Bureau of Marine Resources Declaration Form*
  - a. The declaration form is for all export marine products. This form needs to be filled out two (2) hours prior to departure time, and scheduled cargo time at the Airport on all departing flights from Palau. The forms are available at Fisheries Officers section at the Airport, (Departure and Cargo Area). Officers are there to inspect and clear all marine products for export.

In partnership with the PISBDCN and the U.S. Small Business Administration

---

**b.** Otherwise, exporting is by other carrier, you are required to contact the officer for further instructions.

**c.** Required US\$2.00 fee per each form.

*2. Bureau of Marine Resources Certification Form*

**a.** This form is required when exporting cultured marine product, specifically, Giant Clam meat and shells.

**b.** Taking of giant clam for export purpose requires invoices from certified giant clam farmers. You may call Palau Mariculture Demonstration Office at Tel. No. (680) 488-3322 for more information in regards.

*3. Palau Domestic Fishing Laws 2002*

**a.** This information is presented to acquaint commercial and pleasure domestic fishermen with the National laws to fishing in domestic waters of the Republic of Palau.

**b.** The said information is available at the bureau.

*4. Palau Marine Research Permit*

**a.** Required research application agreement form, and US\$300.00 research fees. Payment is done Direct Deposit to National Treasury Bank Account if applicant is outside Palau. You may contact the bureau for banking information.

*5. Aquarium Collecting Permit*

**a.** Require application, US\$150.00 collection fee and US\$150.00 per each researcher.

*Contact Information: The Palau Marine Research Permit and Aquarium Collection Permit validity date ends December 31 of every year. You may contact Palau Marine Resource Office at phone number (680) 488-3125/2897; Fax: (680) 488-3555; E-mail: [tekoilcei@palaunet.com](mailto:tekoilcei@palaunet.com); P. O. Box 359, Koror PW 96940.*

## **1.17 Food Handler's License**

Certified document from the authorized body within the Ministry of Health stating that the establishment is granted permission to operate and has met all the Regulations of the Ministry of Health pertaining to Sanitation, Health, Safety, and conditions as required in Title 34 PNCA, Section 101 to 104, Section 1003 and 1004. Additionally, gives authorization to the Director of Public Health of the Ministry of Health, or his authorized representative to prepared regulations in regards to the sale of food. These requirements apply to all food service establishments, enterprises or activities that involve the handling of food intended for sale, or the sale of food, regardless of whether business, enterprise or activity concerned is of commercial, charitable,

fundraising or community nature. These regulations also apply to group(s) involved in the handling or sale of food on one occasion or special events.

**Application Process:**

1. Application Forms may be obtained from this Office and filled out by an authorized operator/owner of establishment.
2. Initial inspection will be performed immediately upon the receiving of an application form to determine establishments comply with sanitary standards.
3. Health Permit is issued based on item #2.
4. Routine inspection is conducted on a quarterly basis.
5. Establishments are graded quarterly based on the required sanitary standards. and is issued separately from "Health Permit".

**Inspector and Health Permit Fee:**

1. Inspectors are Certified Health Inspectors with a valid Medical License from Ministry of Health.

The Fees are different based on different category. Division of Environmental Health Collects all fees and make deposit to ROP National Treasury.

- a. Food Handler Permit - \$2.00 for registration fee
- b. Health Certificate - \$5.00 for one (1) year duration.
- c. Health Permit - \$45.00 fee of one (1) year duration/renewal.

101.	EATING AND DRINKING ESTABLISHMENT	
101.1	Restaurant (w/Kitchenette)	\$150.00
101.2	Snack Bar (w/Kitchenette)	100.00
101.3	Fast Food (w/Kitchenette)	100.00
101.4	Other Eating & Drinking Est. (w/Kitchenette)	100.00
101.5	Snack Bar (w/o Kitchenette)	50.00
101.6	Coffee Shop (w/o Kitchenette)	50.00
101.7	Other Eating & Drinking Est. (w/o Kitchenette)	50.00
102.	CATERING ESTABLISHMENT/SERVICES	
102.1	Bakery	\$150.00
102.2	Food Wagon	100.00
102.3	Barbeque Stand	100.00
102.4	Household Catering (bento, sandwich, seafood, etc.)	50.00
102.5	Other Catering Est.	50.00

103.	DRINKING ESTABLISHMENT	
103.1	Bars	\$150.00
103.2	Karaoke Lounge	150.00
103.3	Nightclubs	150.00
103.4	Other Drinking Establishment	150.00
104.	VENDOR	
104.1	Market (w/Kitchenette)	\$100.00
104.2	Market (w/o Kitchenette)	75.00
104.3	Fish Vendor	75.00
104.4	Produce Vendor	75.00
105.	FOOD PROCESSING/PACKAGING	
105.1	Water Treatment Plant	\$200.00
105.2	Water Purifier Machine	150.00
105.3	Ice Processing Plant	150.00
105.4	Meat Processing/Packaging Plant	150.00

VIOLATIONS

34 PNC § 1001 (a.): Improper construction or maintenance of latrine toilet	\$100.00
34 PNC § 1001 (b.): Deposition of human intestinal excreta in vicinity of a dwelling or with 500 yards of any village in a place other than approved latrine or toilet	100.00
34 PNC § 1002: Failure to remove or dispose of rubbish, garbage, or other refuse as instructed in writing by the Bureau of Public Health on _____	100.00
34 PNC § 1003: Failure of service establishment to correct substandard conditions as instructed in writing by the Bureau of Public Health on _____	250.00
34 PNC § 1004 (a.): Offering for sale of food or medicine of unsanitary or questionable sanitary condition	500.00
34 PNC § 1004 (b.): Sale of foodstuffs past the date of expiration	500.00
34 PNC § 1005: Failure of school to maintain acceptable standard of health and sanitation	500.00

PENALTIES

Expired Health Permit	\$250.00
Expired Health Certificate	100.00
Expired Food Handler Permit	100.00
Operational w/o valid Health Permit*	250.00
Operational w/o valid Health Certificate	100.00
Operating w/o Food Handler Permit	100.00
Resuming ceased operation w/o prior clearance	500.00
Selling pre-prepared food w/o labels (Section 6.3 a)	150.00
Piggery/Poultry House/Dog Kennel less than 200ft from residence	500.00
Burying dead animal less than 20ft from body of water in ROP	500.00
Violation of Vector Control & Prevention regulations	250.00
Violation of Solid Waste Management regulations	250.00
Violation of International Health Quarantine regulations	500.00

In partnership with the PISBDCN and the U.S. Small Business Administration

---



Violation of Liquid Waste Management regulations	500.00
Violation of Slaughterhouse regulations	250.00
Violation found pursuant to Title 34 PNC § 104 shall be fined not more than Or imprisoned for not more than one year, or both, except as otherwise Provided for by law or regulation.	500.00

\* Cease Operational the day cited.

*Contact Information: Joanne M. S-Kingzio, Chief, Division of Environmental Health;  
Located at Meyuns Old Sea Plane Ramp; P. O. Box 6029, Koror, PW 96940; Phone number:  
(680) 488-6073/6345; Fax: (680) 488-6194; E-mail: [lead@palaunet.com](mailto:lead@palaunet.com).*

### **1.18 Alcohol License**

Alcoholic Beverages & Tobacco Products Control Office (ABTPC) is an agency currently under Division of Economic Development which its specific purpose is to oversee and administer all duties and responsibilities of the agency as clearly stated in Chapter 11 of the Palau National Code.

An application is available at the ABTPC Office where an interested individual, party, or corporation may pick up and fill completely and submit with a sketch of the business establishment, copy of the national business and state licenses and also all required signatures on the application. All original fees receipt should also be attached to the application. All original fees receipts should also be attached to the application. Fees differ depending upon what type of license is being applied. Prior to making any payment at the National Treasury, a signature from the respective State Office should be obtained first.

After submitting the abovementioned, a public hearing announcement will be immediately made for the particular business and is aired on all public broadcasting stations within about one to two weeks time to inform the public a specific time and date of when and where the public hearing will take place. The main purpose of the public hearing is to give the public a chance to express concerns regarding the particular business.

The Alcohol License will be issued accordingly.

*Contact Information: ABTPC Office, Division of Economic Development; Alonzo Joseph, Chief;  
P.O. Box 1471, Koror, PW, 96940; Located on the 2<sup>nd</sup> Floor Talambulang Building; Phone:  
(680)488-2109/2496; Fax: (680)488-5100*

### **1.19 Fishing License/Foreign Fishing Permits**

The primary mission of the Bureau of Oceanic Fishery Management (BOFM) is to support management, conservation, enforcement, and regulation of commercial harvest of pelagic fisheries stocks in the Republic of Palau's territorial, extended, and exclusive economic zones. BOFM negotiates and concludes fishing access agreements with foreign fishing companies, associations, or directly with foreign governments. Additionally, BOFM is responsible for administration of pelagic fisheries data, functions, and it represents the government in regional and international fisheries forums and consultations.

- A. Fishing Permits – Fishing permits will only be issued in accordance with a foreign fishing access agreement approved by joint resolution by the OEK (Palau Senate).
- B. Application Process – Each foreign party entitled to permits in accordance with its foreign fishing agreement shall make application on forms prescribed by the BOFM specifying, among other things:
  - 1. Name, Official number or Identification of vessel, together with the name and address of owner;
  - 2. The tonnage, capacity, speed, processing equipment, type and quantity of fishing gear, and such other information with respect to characteristics of each vessel;
  - 3. Each fishery in which such vessel wishes to fish;
  - 4. The amount of fish or tonnage of catch contemplated for each such vessel during the time such permit is in force;
  - 5. The ocean area in which, and the season or period during which such fishing will be conducted;
  - 6. Country of Flag Registration Number;
  - 7. Valid Forum Fisheries Regional Registry Number and Automatic Location Communicator Number; and
  - 8. International Radio Call Sign Number
- C. Fees and Rates – Uniform Fishing Access Agreement already has a negotiated fee ranging from \$3,000.00 to \$4,500.00 per vessel, depending on the gross tonnage of a vessel. All revenues, including fees collected by the BOFM, shall be transmitted immediately and made payable to the *National Treasury, Republic of Palau*.
- D. Fishing Restriction – No foreign fishing vessel may fish in the territorial sea, internal waters, contiguous zone, or at any point within a 50 nautical mile radius to the east of the reef entrance to Malakal Harbor. Foreign fishing is permitted only in the exclusive economic zone outside a 50 nautical mile radius to the east of the reef entrance to Malakal Harbor in compliance with the laws of the Republic of Palau with permit issued, and any provision of a fishing agreement entered with the Republic of Palau.

*Please refer to RPPL No. 6-36 for reference Prohibited Acts and Criminal Penalties.*

*Contact Information: Bureau of Oceanic Fishery Management; Silas D. Orrukem, Director; Celestine Yangilmau, Deputy Director; Kathleen Sisor, Licensing Officer; Nanette D. Malsol, Law Compliance Officer; P.O. Box 117, Koror, PW, 96940; Located in Malakal, Koror; Phone: (680)488-3997; Fax: (680)488-4394; E-mail: [tunapal@palaunet.com](mailto:tunapal@palaunet.com)*

## **1.20 Helen Reef Special Permit**

Hatohobei State Government Helen Reef Management Act (2001P), Public Law #HSPL-No. 5-16-01, created the Helen Reef Reserve, comprising of all land and marine areas within one nautical mile of the seaward edge of the reef surrounding Helen Island (2°59.00N, 131°49.00E). The Act provides for the conservation, restoration, and wise sustainable use of the natural resources of Helen Reef, and sustainable benefits for the Hatohobei community. Under this Act, all entry to the Helen Reef Reserve is prohibited unless a Special Permit has been obtained from the Governor of Hatohobei State. The fee for this Special Permit is \$100.00 per day.

---

In partnership with the PISBDCN and the U.S. Small Business Administration

*Contact Information: Hatohobei State Government; Governor; P.O. Box 1017, Koror, PW, 96940; Phone: (680)488-2218; Fax: (680)488-5149*

**\* Real Property Law**

Article XIII, Section 8 of the Constitution of the Republic of Palau specifically provides that "only citizens of Palau and corporations wholly owned by Palau may acquire title to land or waters of Palau. Foreign ownership of land therefore is prohibited; however, foreigners may lease land from the Palauan owners for up to 50 years. Note: the foreign investor should be careful to ensure that the Palauan lessor with whom they are dealing legally has acquired the right to alienate a specific parcel of land before entering into a lease on behalf of a foreign business enterprise.

## **2. General Business Resources**

**The following list of business resources is provided to give the business owner access to a point of contact. It is not an endorsement of any products, opinions or services.**

### **2.1 Lending Institutions**

#### **National Development Bank of Palau (NDBP)**

The National Development Bank of Palau (NDBP) promotes the economic development for the Republic of Palau. The following are types of loans and services NDBP provides: housing loans, small business loans, agriculture loans, aquaculture/fishing loans, tourism loans, industrial loans, commercial loans, WEDAP loan (rural areas), RHCDs guaranteed home loan, other banks guaranteed loan, performance bond, and credit life insurance (home loan).

*Contact Information: National Development Bank of Palau; P.O. Box 816, Koror, Palau 96940; Located in the Orakiruu Professional building in Medalaii, Koror; Phone: (680)488-2578/3955; Fax: (680)488-2579; E-mail: [ndbp@palaunet.com](mailto:ndbp@palaunet.com)*

#### **Pacific Islands Development Bank (PIDB)**

PIDB is a regional development banking institution which funds business projects in its member governments' jurisdictions. Its member governments comprise the Commonwealth of the Northern Marianas, Territory of Guam, Republic of Palau, and the FSM States of Yap, Chuuk, Pohnpei and Kosrae. PIDB makes business loans on concessionary terms.

*Contact Information: Pacific Islands Development Bank; Aren Palik, President; Suite 204, GCIC Building, 414 West Soledad Avenue, Hagatna, Guam 96910; Phone: (671) 477-0047; Fax: 477-0067; e-mail: [pidbank@kuentos.guam.net](mailto:pidbank@kuentos.guam.net)*

### **Local FDIC-Insured Banks**

#### **Bank of Guam**

Bank of Guam is committed to quality service, and offers the following financial services to meet the needs of the citizens of the Republic of Palau: easy international funds transfers, letters of credit, commercial loans, Christmas Club Accounts, time certificates of deposit, foreign exchange conversions, trust services, consumer loans, MasterCard®, lines of credit, checking accounts, savings accounts, and Pacific Express ATMs.

*Contact Information: Bank of Guam; P.O. Box 338, Koror, Republic of Palau, 96940; Phone: (680)488-1648/2696/2697; Fax: (680)488-1384; URL: <http://bankofguam.com>*

## **Bank of Hawaii**

After 40 years of service, Bank of Hawaii continues to support the needs of local Palauan families through the dedication and commitment to the Palauan community. Typical items for loans include inventory purchases, boats and engines, debt consolidation, and first home construction.

*Contact Information: Bank of Hawaii; P.O. Box 340, Koror, Palau; Located in Medalaii, Koror; Phone: (680)488-6267; Fax: (680)488-2427; URL: [www.boh.com](http://www.boh.com)*

## **Bank Pacific**

Bank Pacific is a full service bank working for the people of Palau.

*Contact Information: Bank Pacific; Phone: (680)488-5635/5626; Fax: (680)488-4752; URL: [www.bankpacific.com](http://www.bankpacific.com)*

## **Farm Service Agency**

Farm Service Agency is a U.S. federal program. It is a farm loan program aimed at helping existing and beginning farmers establish themselves in financially viable, commercial farming operations. It should be noted that program eligibility is restricted to U.S. and U.S. Pacific Affiliate citizens.

*Contact Information: Palau Small Business Development Center; Lisa Abraham, Director; c/o Palau Community College, P.O. Box 9, Koror, Palau, 96940; Located at Palau Community College, Keskas Building Room #2; Phone: (680)488-6004; Fax: (680)488-1549/2447; E-mail: [palausbdc@palaunet.com](mailto:palausbdc@palaunet.com); URL: [www.pacificsbdc.com/net\\_palau.php](http://www.pacificsbdc.com/net_palau.php)*

## **2.2 Public Utilities**

New businesses must come to the office to fill a service request form for hook-up. The applicant must fill the load calculation form listing down all the appliances and their respective consumptions of energy (in Watts). A deposit is required based on the figures in the load calculation form submitted by the applicant and is payable prior to the connection. The deposit is refundable after one year with 2% interest.

Commercial Rates:

Energy Consumption:	
0kWh-2,000kWh	\$0.10 per kWh
2001kWh and over	\$0.12 per kWh
Fuel Charge	\$0.04 per kWh
Monthly Fixed Charge	\$3.00

---

In partnership with the PISBDCN and the U.S. Small Business Administration

Electric bills may be paid at the PPUC office or through Pacific Savings Bank or Bank Pacific. Customer must have an account number and the billing statement. Tenants renting properties to conduct business must ask the property owner to indicate the correct meter account number. It is imperative that that customer make sure that the wiring in the premises is properly grounded.

*Contact Information: Palau Public Utilities Corporation; P.O. Box 1372 Koror, PW 96940; Located on the 3<sup>rd</sup> floor of the Surangel Building, Ikelau Hamlet, Koror; Phone: (680)488-3870/3872; Fax: (680)488-4499/3878*

## **2.3 Water**

### **2.3a – Water Utility**

Water is applied at the office of Utility Collection Division located at Malakal, Koror. Required documents needed for applying for water include a map and the location of the place where the water will be used or needed. Applications fees are \$15.00 for residential, and \$30.00 for commercial establishments. A specialized meter fee has yet to be determined. Water meters are read at the end of each month and sent out on a monthly basis. Water bills are due when received and becomes delinquent 30 days from run date of the bill. Delinquent accounts will be disconnected immediately; customers who want their accounts to be reconnected must clear all the balances on account plus a \$30.00 reconnection fee.

Water rates are as follows:

\$0.85/1000 gallons for metered customers

Un-metered customers are charged a flat rate that varies upon:

Single-family Dwelling	\$15.00
Depending on # of people and Office Space	\$20.00+

*Contact Information: Utility Collection Division, Ministry of Finance; Scott Meltel, Chief Utility Collections; Helen Rose Sugiyama, Utility Supervisor; P.O. Box 6011, Koror, Republic of Palau; Located at the Government Supply Office in Malakal, Koror; Phone: (680)488-2445/1324; E-mail: [ropprojectwet@palau.gov.net](mailto:ropprojectwet@palau.gov.net)*

## **2.4 Telecommunication**

Palau National Communications Corporation (PNCC) is Palau's "one stop shop" for communications. PNCC's international connectivity, fiber optic network and modern Digital switching technology enable businesses in Palau to enjoy the same kinds of Advanced communications services enjoyed in big cities around the world. These Services include local and long-distance telephone, digital GSM wireless telephone, Internet and data connections and cable television.

**2.4a - Telephone System:**

A business line is only \$22 per month and there are a variety of convenient features for single phone lines to help you manage your business, such as caller ID. PNCC also offers high-quality multi-line phone systems from brand-name manufacturers such as Nortel and NEC that will help your business grow.

**2.4b – Internet & Data Service:**

PNCC data services include international and local private lines, as well as high speed networking to connect different business locations in Palau. Internet services through dedicated DSL provide fast global connections, and dial-up Internet access with unlimited e-mail is also available.

**2.4c – Wireless Mobility:**

Choose from a variety of GSM wireless plans or convenient prepaid service to keep you and your staff mobile and connected even when away from the office.

**2.4d – Advertising on Television:**

PNCC offers television advertising opportunities to suit your budget. You can show your product or services in living color and full motion and reach thousands of visitors & local residents. In the Phone Book & On-line. Palau's official's phone book, the PNCC Telephone Directory, is Palau's best advertising bargain. Reach the world with you business listing in PNCC's online directory at [www.palaunet.com](http://www.palaunet.com).

*Contact Information: PNCC's sales staffs are dedicated to helping businesses find the best, affordable solutions for their communications needs. Deposits may be required for some services. Call (680)488-9600/587-9000 for a personal, free consultation or send an e-mail to [pnccsales@palaunet.com](mailto:pnccsales@palaunet.com). Fax: (680)488-9090. Palau National Communications Corporation, Sales Section, P. O. Box 99, Koror PW 96940.*

**2.5 Air Transportation/Shipping**

All flights arriving in Palau are required to file an application for a landing permit. All required documentation is listed in the application form and must be attached.

*Continental Micronesia*

U.S.-flagged carrier Continental is the only passenger airline that services Palau through its subsidiary Continental Micronesia. Continental operates a Next Generation Boeing 737-800 Series Aircraft with a seating capacity of 155 (14 Business Class Seats/141 Economy Class Seats) to Palau. Continental operates daily non-stop evening flights to Palau except on Thursdays and Saturdays. On Thursday and Saturday evenings, [Continental] flies directly from Guam to Yap then continues on to Palau. In addition to the daily evening services, Continental operates a day flight on Wednesdays from Guam to Yap, with continuing services to Palau then on to Manila, Philippines.

In partnership with the PISBDCN and the U.S. Small Business Administration

---

*Contact Information: Continental Micronesia, Palau Office; Koror, Palau; Phone: (680) 488-1029; Fax: (680)488-2164*

## 2.6 Ocean Transportation/Shipping

**Maritime Safety** – Only ships wholly owned by Palauans or a corporation wholly owned and operated by Palauans are eligible for registry under the Palau flag. The current fee is \$1 per Gross Registered Tonnage for registration and \$1 per Gross Registered Tonnage for certification. There is a minimum fee of \$100 for both registration and certification. Ships registered or operating in Palau are required to undergo annual safety inspections. Inspection fee is assessed based on the overall length, breadth, and depth of the vessel. The Maritime Safety Branch requires the applicant to produce a copy of the previous ship's certificate of registration and safety certificate, original copy of deletion certificate, Bill of Sale, Builder Certificate, General arrangement plan, and a recent photo of the vessel.

**Port State Control** – Palau Ports are in compliance with the ISPS Code. Ships arriving in Palau ports are required to report 72 hours, 24 hours, and 12 hours in advance prior to arrival. The Port State Control requires a valid certificate of registry, an International Ship Security Certificate for ships required to comply to the ISPS Code, and International Oil Pollution Prevention Certificate for vessels required to carry IOPPC under MARPOL 73/78 and a duly licensed officer under the STCW-95. Ships are also required to make all customary IMO declarations upon arrival. The Port State Control serves also as the Harbor Master and may be contacted on 4.6 MHz (USB) or 156.0 MHz between the hours of 0730 to 1630, Monday to Friday and two hours prior to scheduled ship arrival during the weekends and holidays. Pilotage service is required for vessels over 200GRT where the Master is making his first voyage to Palau. Ships arriving into Palau must also employ the services of one of the ship agents listed below:

Palau Shipping Agency  
[palship@palaunet.com](mailto:palship@palaunet.com)  
Phone: (680) 488-2629/6907  
Fax: (680) 488-1095

Western Pacific Shipping  
[westernpacific@palaunet.com](mailto:westernpacific@palaunet.com)  
Phone: (680) 488-5404  
Fax: (680) 488-2114

Palau Sea & Air Transportation Agency  
[psata@palaunet.com](mailto:psata@palaunet.com)  
Phone: (680) 488-2254  
Fax: (680) 488-1095

Belau Transfer & Terminal Company  
[bttc@palaunet.com](mailto:bttc@palaunet.com)  
Phone: (680) 488-2432  
Fax: (680) 488-2114

*Contact Information: Division of Transportation and Communication; P.O. Box 1471, Koror, Palau, 96940; Located on the 2<sup>nd</sup> floor of the Talambulung Building in Koror; Phone: (680)488-4343; Fax: (680)488-3207; E-mail: [dot@palaunet.com](mailto:dot@palaunet.com)*

## 2.7 Lawyers



Palau Bar Association – A not-for-profit corporation organized for Members of the Palau Bar. To be a member of the Palau Bar, as well as, the Palau Bar Association, one must be admitted to practice law under the Supreme Court of the Republic of Palau. Currently, there are seventy-seven (77) active members of the Palau Bar: sixty-three (63) attorneys and four (4) trial counselors. Moreover, there are fourteen inactive members of the Bar, mainly judges and off-island attorneys. Bar fees for active attorneys is \$200 USD per year, while, \$100 USD is for inactive and trial counselor members. Bar fees are payable every year to the Clerk of Courts, Supreme Court. If you seek legal assistance, please contact the Palau Bar Association for a referral.

*Contact Information: Palau Bar Association; Imelda Bai Nakamura, President; P.O. Box 8, Koror State, Republic of Palau, 96940; Located at the House of Delegates Legal Counsel's Office; Phone: (680)488-3973; Fax: (680)488-5334; E-mail: [belauone@palaunet.com](mailto:belauone@palaunet.com) or [palaubar\\_association@yahoo\\_groups.com](mailto:palaubar_association@yahoo_groups.com)*

## **2.8 Public Accountants**

Information regarding Public Accountants in Palau can be obtained at the Attorney General's Office.

*Contact Information: Office of the Attorney General; P.O. Box 1365, Koror, Republic of Palau, 96940; Phone: (680)488-2481; Fax: (680)488-3329; E-mail: [agoffice@palaunet.com](mailto:agoffice@palaunet.com)*

## **2.9 General Appraisal Services**

Palau Appraisal Associates, Inc. is a real estate valuation and consultation firm. Appraisal experience includes valuation of vacant land, commercial, industrial, hotel/resort, single and multifamily properties. Palau Appraisal Associates, Inc. is affiliated with the Micronesian Appraisal Associates.

*Contact Information: Palau Appraisal Associates, Inc.; Ken Uyehara, General Certified Appraiser; Phone: (680)488-8855; Cellular: (680)779-8601; E-mail: [ken.uyehara@valuepacific.net](mailto:ken.uyehara@valuepacific.net); URL: [www.valuepacific.net](http://www.valuepacific.net)*

## **2.10 Business Development Assistance**

**Abacus Business Service** - *Contact Information: Priscilla M. Soalablai; P.O. Box 1596, Koror, Palau 96940; Phone: (680)488-3333; Cellular: (680)775-5896; E-mail: [psolablai@palaunet.com](mailto:psolablai@palaunet.com) or [kldait@yahoo.com](mailto:kldait@yahoo.com)*

**Belau Business Services** – Belau Business Services provides consulting services, secretarial services, depositions, transcripts, typing, letter writing, general office services, and more  
*Contact Information: Belau Business Services; Phone: (680)488-2954; Fax: (680)488-3397*

**Bennett's Business Service** – Bennett's Business Service offers the following services: General Accounting, Full Payroll, Financial Reporting, and Accounts Receivable.  
*Contact Information: Bennett Services, P.O. Box 664, Koror, Palau 96940; Located in the Orakiruu Professional Building, 2<sup>nd</sup> Floor, Suite 3; Phone: (680)488-8201; Fax: (680)488-6002; E-mail: [bennetts@palaunet.com](mailto:bennetts@palaunet.com)*

**Tony Lomisang Business Service** - *Contact Information: Catholic Mission Parish Finance Office; P.O. Box 95, Koror, Palau, 96940; Phone: (680)488-2226; Cellular: (680)775-2109; E-mail: [lomisang@yahoo.com](mailto:lomisang@yahoo.com)*

**Palau Community Action Agency (PCAA)** – The Palau Community Action Agency assists individuals and families to improve their living standard through small business development activities that contribute to the economic and social growth of the Republic of Palau. The small business development program is not a lending program. We provide advice and guidance in loan application presentations. We assist in preparing business plans/loan packaging for small businesses; however, it is a client's responsibility to collect and provide needed information. Unless otherwise authorized by the client, we will not disclose to any person or entity the identity of any clients with whom we have rendered services, or any confidential or proprietary information obtained from the client and identified as such by the client. All services through PCAA are free of charge.

*Contact Information: Palau Community Action Agency; Ben Adelbai, Small Business Development Program Coordinator; P.O. Box 3000, Koror, Palau, 96940; Located in the Malakal area in Madalaih Hamlet, Koror; Phone: (680)488-1170; Fax (680)488-1169; E-mail: [badelbai@pcaa.org](mailto:badelbai@pcaa.org)*

**Palau Small Business Development Center (SBDC)** – The Palau Small Business Development Center is a public entity that provides free business development counseling and assistance to clients, and conducts business training workshops. The Center has trained business counselors who provide these services. The Center is an affiliate of the University of Guam Pacific Islands Small Business Development Centers Network. Because the Network receives U.S. federal funding, client counseling may be restricted to U.S. and U.S. Pacific Affiliate citizens. It is the mission of this SBDC to support the growth and economic development of the Republic of Palau by providing high quality one-on-one confidential counseling and training as well as innovative workshops to existing and prospective small businesses.

*Contact Information: Palau Small Business Development Center; Lisa Abraham, Director; c/o Palau Community College, P.O. Box 9, Koror, Palau, 96940; Located on the campus of Palau Community College in the Keskas Building, Room #2; Phone (680): 488-6004; Fax: (680)488-1549; E-mail: [palausbdc@palaunet.com](mailto:palausbdc@palaunet.com); URL: [www.pacificsbdc.com/net\\_palau.php](http://www.pacificsbdc.com/net_palau.php)*

**Paradise Bureau** – Paradise Bureau operates and manages financial, administrative, and consulting services. Other services include Notary Public, preparation of financial reports, loan packaging, and preparation of project proposals and program justifications.

*Contact Information: Paradise Bureau; Jonathan Maui, Manager; P.O. Box 603, Koror, Palau, 96940; Located in Meketii Hamlet in Koror; Phone: (680)488-2762/1292; Fax: (680)488-2762*

## 2.11 Chamber of Commerce

In partnership with the PISBDCN and the U.S. Small Business Administration

---

To become a member, you must pay \$250 and submit a copy of your business license. The business license must be current. Annual year for the Palau Chamber of Commerce begins in April and ends in March.

*Contact Information: Palau Chamber of Commerce; P.O. Box 1742, Koror, Republic of Palau, 96940; Located on the 3<sup>rd</sup> Floor of the Ben Franklin Building in Koror; Phone: (680)488-3400; Fax: (680)488-3401; E-mail: [pcoc@palaunet.com](mailto:pcoc@palaunet.com); URL: [www.palauchamber.org](http://www.palauchamber.org)*

## **2.12 Tourism Association**

Belau Tourism Association is a non-profit, membership organization, established in 1992 and now has 40 members. Membership consists of full members and associate members. Regular members pay a set rate based on number of employees, ranging from below 10 to 10 and above. Memberships are renewed on an annual basis. The organization was created to support the tourism industry, to serve as a representative agency, and to voice concerns, ideas, and issues relating to the industry. The organization works closely with its membership, State and National governments and agencies, in order to focus on and deal with issues relating to the tourism industry in Palau.

*Contact Information: Belau Tourism Association; Leilani N. Reklai; P.O. Box 9032, Koror, Palau, 96940; Phone: (680)488-4377; Fax: (680)488-2732; E-mail: [bta@palaunet.com](mailto:bta@palaunet.com)*

## **2.13 Technical Training Resources**

Information regarding Technical Training Resources can be obtained at Palau Community College Cooperative Research and Extension (PCC-CRE).

*Contact Information: Thomas Taro, Vice President, Cooperative Research and Extension Palau Community College; P. O. Box 9 Koror, Republic of Palau 96940; Phone: (680) 488-2746; Fax: (680) 488-3307; E-mail: [tarothomas@yahoo.com](mailto:tarothomas@yahoo.com).*

## **2.14 Grant Sources**

Grant Aid Assistance Office was created within the Office of the President to assist the National Government, State Governments and Non-Government Organizations (NGOs) in locating and assisting entities in obtaining grant aid assistance. Services provided by the office are researching for available grant aid assistance, reviewing grant aid application and proposal; assist in coordination between grantee and grantor and publish clearinghouse recommendation.

It is recommended that prospective applicants or entities interested in seeking grant aid assistance from foreign agencies, contact the Grant Coordinator for eligibility requirement and application procedures.

*Contact Information: Grant Aid Assistance Office; Mr. Jeff R. Ngirarsaol, Grant Coordinator; Mailing address: Office of the President, Attn: Grant Aid Assistance, P.O.Box 6051, Koror, Republic of Palau, 96940; Located: Koror, Meyuns Hamlet; Phone: (680)488-2532; Fax: (680)488-1662; E-mail: [ropgrant@palaunet.com](mailto:ropgrant@palaunet.com)*

## **2.15 Foreign Aid**

The Bureau of International Trade and technical assistance, under the Ministry of State and in accordance with the Executive Order No. 203 of the President of the Republic of Palau, shall be to conduct and coordinate international trade negotiation, and to research and identifying the availability of financial grant/aid technical assistance from foreign government and all international and regional organization, of which the Republic of Palau is a member, for the benefit of the people of the Republic of Palau, including but not limited to, providing assistance to National and State government agencies in the procurement of financial grant/aid and technical assistance. The Bureau shall coordinate its effort with the Office of the President, the Bureau of Foreign Affairs and the Bureau of Budget and Planning.

The Bureau may assist potential investors and entrepreneurs or the private sector in accessing assistance from regional and international organizations that Palau is a member. And may upon request, coordinate with bilateral partners on trade related matters and available technical and financial assistance.

In terms of grant/aid, application forms are available at the Bureau of Foreign Affairs and may be available upon request. The grants/aid received from bilateral partners and international organizations (i.e.,FAO, UNDP, etc....) are targeted toward community development for community groups and organizations. The grants may be applied to complement or start up a business venture for community groups or organizations and grants will not fund for salaries, wages and recurrent costs (i.e., office supplies, food & refreshments, etc....).

*Contact Information: Bureau of Foreign Affairs; Mr. Ramon Rechebei, Director of International Trade and Technical Assistance; Mailing address: Bureau of Foreign Affairs, Attn: Director, P. O. Box 100, Koror, Republic of Palau, 96940; Phone: (680) 488-2408/2490; Fax: (680) 488-3680; E-mail: [tad.bofa.palaunet.com/ramonrechebei@pdarop.com](mailto:tad.bofa.palaunet.com/ramonrechebei@pdarop.com).*

## **2.16 Statistics**

Information regarding statistics in Palau can be obtained at Planning & Statistics Office.

*Contact Information: Casmir E. Remengesau, Financial & Management Advisor, Ministry of Finance; Phone: (680) 488-2738/6057; Fax: (680) 488-5627; website:[www.palau.gov.net/stats](http://www.palau.gov.net/stats)*

---

In partnership with the PISBDCN and the U.S. Small Business Administration

