

## Regulations Implementing the Pristine Paradise Environmental Fee

1. Authority and Purpose. These regulations are promulgated to implement the Pristine Paradise Environmental Fee (PPEF) as mandated by RPPL 10-02 and Titles 24 and 27 of the Palau National Code, pursuant to the Administrative Procedures Act.
2. Severability. If any section, subsection, item, clause, or phrase contained in these regulations is found to be illegal or otherwise incorrect or inapplicable, such finding shall not affect the validity of the remaining provisions of these regulations.
3. Definitions. The following definitions shall apply to these regulations:
  - 3.1. "Airline" or "the airline" means a commercial air carrier or other company that offers its services to the general public in order to transport goods or persons according to published routes and time schedules. This includes the company responsible for any privately chartered vessel transporting passengers on International Travel. It does not apply to a specific carrier, airline, or vessel, and it may refer to the plural.
  - 3.2. "Crew member" means an on-duty crew member of a vessel that is authorized to enter the Republic of Palau. It does not include the crew of any unauthorized vessel or vessel that has entered Palau for illegal purposes. It does not include the owner, operator, or non-fare-paying passenger of a leisure or other non-commercial craft or vessel, even if such person helps to operate the craft or vessel. It does include the on-duty crew of a cargo vessel or other common carrier entering Palau for commercial purposes.
  - 3.3. "International Travel" means travel by air or sea into the Republic of Palau.
  - 3.4. "Illegal Entrant" means any person who enters or remains unlawfully within the Republic of Palau or its Exclusive Economic Zone.
  - 3.5. "Palauan citizen" means a person who is a citizen of the Republic of Palau in accordance with the Constitution and laws of the Republic of Palau.
    - 3.5.1. The Division of Immigration shall determine what form of documentation is sufficient to prove Palauan citizenship.
  - 3.6. "Passenger" means a person who undertakes International Travel into the Republic of Palau for any purpose other than as a Transit Passenger or Crew member.
  - 3.7. "Spouse of Palauan citizen" means an individual who may or may not be Palauan but is married to a Palauan citizen.
  - 3.8. "Transit Passenger" means a person who has arrived in the Republic of Palau by air or sea and will depart the Republic of Palau:
    - 3.8.1. Within 24 hours of that arrival; or
    - 3.8.2. After 24 hours due to circumstances beyond the person's control.
      - 3.8.2.1. If a person is staying longer than 24 hours due to circumstances beyond his or her control, to continue to qualify as a Transit Passenger he or she must have confirmed onward booking to a third destination.
      - 3.8.2.2. Immigration and the Ministry of State shall determine whether citizens of specific countries are not eligible for the Transit Passenger exception.
4. Application of PPEF. Every Passenger, except for an Illegal Entrant, shall pay a PPEF of one hundred dollars (\$100) for each instance of International Travel into the Republic of Palau. An Illegal Entrant shall pay a PPEF of five hundred dollars (\$500) before the Division of Immigration can approve departure from the Republic of Palau.

- 4.1. If an individual arrives in the Republic of Palau without having paid the PPEF that person may be given an opportunity to pay upon arrival.
5. Refunds from PPEF. The following categories of people shall be refunded the PPEF upon arrival into the Republic of Palau, or at another time consistent with these regulations:
  - 5.1. Individuals travelling with Palauan passports as issued by the Republic of Palau, or who otherwise demonstrate proof of Palauan citizenship satisfactory to the Division of Immigration.
  - 5.2. Spouses of Palauan passport holders or Palauan citizens.
  - 5.3. Masters, pilots, and other Crew members while on official duty of any vessel or aircraft lawfully operating as a commercial carrier or charter, if such persons show evidence of having paid the PPEF.
  - 5.4. Members of a diplomatic mission in the course of their official duties formally recognized by the Ministry of State.
  - 5.5. Transit Passengers, if such persons show evidence of having paid the PPEF.
  - 5.6. Individuals as determined by the Minister of Finance.

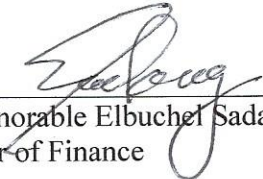
No person travelling on a Republic of Palau travel allowance shall be eligible for refund of the PPEF. This prohibition shall be clearly posted on the window of each entry booth for citizens and residents, and officials shall ask each returning citizen or resident whether he or she is on a travel allowance prior to issuing a refund.

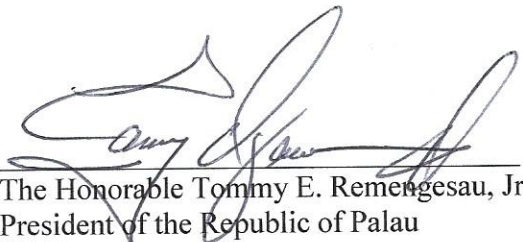
6. Allocation of PPEF. The PPEF shall be allocated as follows:
  - 6.1. Ten dollars (\$10.00) shall be allocated to the Fisheries Protection Trust Fund pursuant to 27 PNC §192.
  - 6.2. Twelve dollars and fifty cents (\$12.50) shall be divided among the states as follows: 70% of such funds shall be divided among the states in equal shares and the remaining 30% shall be apportioned among the states according to population.
  - 6.3. Twenty five dollars (\$25.00) shall be allocated to the National Treasury, earmarked and appropriated to relevant agencies for purposes related to the security, operation, maintenance, and improvement of the Palau International Airport; provided all funds from local revenue or other sources that otherwise would have been appropriated for those purposes shall be appropriated to the Civil Service Pension Fund.
  - 6.4. Thirty dollars (\$30.00) shall be earmarked as a "Green Fee" pursuant to 24 PNC §3413 and shall be allocated and appropriated in accordance with that provision as is fully stated therein.
  - 6.5. Twenty-two dollars and fifty cents (\$22.50) shall revert to the National Treasury.
7. Passport Inspection and Proof of Payment. All residents and visitors are required to furnish their passports upon arrival and departure for Immigration examination. Immigration shall not process any refund under Section 5 of these regulations without determining that the applicant has paid the PPEF and has not already been refunded. Representation by an airline, on a passenger manifest or otherwise, shall be satisfactory proof of payment. A passenger's personal knowledge of PPEF payment shall not be dispositive. If a passenger is eligible under Section 5 of these regulations, Immigration may complete the refund.

8. Air Travel Implementation. The PPEF shall be included in the price of every international airline ticket into the Republic of Palau sold on or after January 1<sup>st</sup>, 2018.
  - 8.1. The ticketing airline shall be responsible for collecting the PPEF and shall transmit all funds to the National Treasury on a regular monthly basis, no later than 30 days after the end of the collection period.
  - 8.2. In the event the PPEF was not included in a ticket issued on or after January 1<sup>st</sup>, 2018, it shall remain the responsibility of the airline to transmit the appropriate fee per arriving passenger to the National Treasury.
  - 8.3. An airline shall be responsible for collecting the PPEF for all flights for which the airline is primarily responsible, or for which the airline has assumed ticketing and boarding responsibility on behalf of another airline.
  - 8.4. The burden of demonstrating whether a refund is warranted shall be on the applying passenger. Any aggrieved passenger may appeal an adverse decision to the Director of the National Treasury. The decision of the Director as to the applicability of the refund shall be final.
  - 8.5. The airline shall provide an advance passenger manifest for all arriving passengers to Immigration and Customs electronically or as otherwise directed in order to account for all arriving passengers subject to the PPEF.
  - 8.6. The airline shall maintain all records relating to the PPEF for a period of three (3) years from the date that the record is first generated. The airline shall allow the Republic of Palau Government and Public Auditor to have access to and examine and copy the records, data, or papers of the airline and any subcontractor or subgrantee relevant to the collection of the PPEF.
9. Sea Travel Implementation. The BCBP shall collect the PPEF from any Passenger arriving to Palau by sea, on any craft or vessel, on or after January 1<sup>st</sup>, 2018. The place of collection shall be Malakal Port. For the purpose of International Travel by sea, the owners, operators, or non-fare-paying passengers of yachts or other leisure vessels shall be subject to the PPEF, even if such persons also assist with vessel operation.
10. Transition Period. At the discretion of the Minister of Finance, the Bureau of Customs and Border Protection (BCBP), the Division of Immigration, and all other agencies shall cooperate and make staffing and other resources available as requested by the Minister of Finance to ensure the PPEF is collected.
  - 10.1. The BCBP shall continue to be responsible for implementing the PPEF at the Malakal Port for all incoming crafts and vessels.
  - 10.2. The BCBP may continue to collect and charge the same fees upon departure for any airline passenger who arrived in the Republic of Palau prior to the PPEF implementation date and is departing on a ticket purchased before January 1<sup>st</sup>, 2018. The amount collected upon departure in this situation shall be the total of a thirty dollar (\$30) USD "Green Fee" and twenty (\$20) departure tax for every non-Palauan passport holder. Such passenger must provide a copy of their ticket and any other supporting documentation as required.
11. Refund Opportunities. One-way Passengers shall be refunded upon arrival in Palau. Round-trip or Transit Passengers qualified pursuant to section 5 of these regulations may be given the opportunity to apply for refund upon arrival or upon departure. A refund-qualified person who paid the PPEF and was not refunded upon arrival or departure, as appropriate, may apply for a refund through Immigration by filing an application form. In order to be eligible for a refund the person must apply within 15 days of arrival. Otherwise, a refund will not be processed. A written document will be required to support any refund application. The Chief of the Division of Immigration be responsible for documentation related to processing and payment.

12. Signage. Immigration shall erect prominent signage at Palau International Airport to distinguish “Visitors (International Passport Holders),” “Palau Passport Holders,” and “Diplomats and Crew.”
13. Effective Date. These regulations shall take effect pursuant to the conditions of 6 PNC § 127.

Adopted by the Ministry of Finance on this 19<sup>th</sup> day of December, 2017.

  
The Honorable Elbuchel Sadang  
Minister of Finance

  
The Honorable Tommy E. Remengesau, Jr.  
President of the Republic of Palau

12/29/17  
Date

