

Call for US to probe Mobil

The RMI has asked the US government to investigate Mobil's actions in negotiation with the Marshall Energy Company.

Chief Secretary Bobby Muller wrote to US Ambassador Greta Morris last Friday, telling her that the Marshall Islands "is very concerned that Mobil Oil Micronesia Inc.'s unjustified pricing methods and inflexible contract conditions will have an adverse impact on the people of the RMI, our private sector, and the public infrastructure investments funded through the Compact."

While acknowledging the fact of in-

Muller: 'Unjustified pricing methods'

creased fuel prices worldwide, Muller said the RMI believes that Mobil's actions "as a sole source supplier for all intents and purposes, may consti-

tute unfair practices designed to take advantage of this difficult situation."

Muller said that the government believes that if this same situation happened in the US, "law enforcement investigations would likely ensue."

He told Morris that the government wanted to follow up on Interior Department deputy assistant secretary David Cohen's willingness to look into the issue of Mobil's activities and possible solutions. "We believe that such an inquiry could be most helpful in bringing a resolution to the issues between Mobil and MEC," Muller said.

Billy pushes to reduce debt

MEC general manager Billy Roberts says that the company has greatly reduced spending and its "receivables" from customers in response to its debt to Mobil and increased fuel costs. "We've reduced spending by \$750,000 by cutting back on overtime and allowing essential purchases only," Roberts said.

He also said that MEC has virtually cut in half the money owed to it by Majuro customers, which stood at \$4 million earlier this year through "aggressive collections and disconnections." Roberts confirmed that MEC has paid \$1.6 million to Mobil in the past week, and still owes about \$2.6 million. He said MEC aimed to make another payment to Mobil later this week.

Mobil prices too high?

An Asian Development Bank report says that Mobil "deliberately and systematically" manipulated fuel prices in the Cook Islands, resulting in the country being overcharged five-to-seven cents per liter (about 18-25 cents per gallon).

A draft of the report was leaked recently and reported on earlier this month in the Cook Islands Times.

The paper reported that Mobil refused to discuss either the report or the fuel pricing template used in the Cooks, but said it was "very concerned and disappointed" with the content of the report. Kamal Singh, Mobil Oil Micronesia's new president in Guam, was Fiji-based manager of Mobil South-West Pacific responsible for the Cook Islands when the study was conducted early this year.

The ADB consultant who wrote the report, Australian Alan Bartmanovich, said the report did not start from the assumption that Mobil's profits are too high, but instead that Mobil has demonstrated inconsistency in its fuel pricing practices in the Cook Islands and has refused to entertain repeated requests by Cook Islands government to renegotiate key elements of the fuel pricing template.

The report said that Mobil raised the price to the Cook Islands based on rising prices in the Singapore market but before fuel shipments arrived in Fiji for transshipment to the Cooks. Later, when prices were going down on the world market, more expensive shipments were used to determine Cook Islands fuel costs, the report said.



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ANNOUNCEMENT

To the general public and those listed herewith that Mr. Ali Tabbasum and Mr. Ron Van Oers of UNESCO's World Heritage (WH) Centre will be in Majuro from Oct. 25-28 to conduct two meetings: (i) **Expert Group Meeting** and (ii) **General Public Awareness Workshop**. The objectives of the meeting/workshop are to: raise high-level political awareness and support for World Heritage; provide an opportunity for people to learn about UNESCO's World Heritage and talk with their representatives.

A) Expert Group Meeting Workshop

Date: Tuesday
25 October 2005
Time: 2 - 5 p.m.
Venue: RRE Boknake

B) General Public Awareness

Date: Friday
28 October 2005
Time: 9 a.m. - 12 p.m.
Venue: RRE Boknake

For more information contact Ellia S. Zebedy at 455-0542 or email: esablan@yahoo.com.