

<b>RELEASE IN PART</b> <b>B6</b>
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**From:** Sullivan, Jacob J <SullivanJJ@state.gov>  
**Sent:** Sunday, July 12, 2009 7:22 PM  
**To:** H  
**Subject:** Re: Palau offended by US positions

You'll be happy to know that Jack and I have been working this weekend on behalf of our good friends in Palau. They will be getting new numbers in the next round of negotiations. I will stay on top of it, though no matter what I don't think they will be 100 percent satisfied.

----- Original Message -----

**From:** H <HDR22@clintonemail.com>  
**To:** Sullivan, Jacob J  
**Sent:** Sun Jul 12 18:55:38 2009  
**Subject:** Fw: Palau offended by US positions

Jake---Pls review, do some recon outreach and advise what, if anything, we should do. Thx. H

----- Original Message -----

**From:** Jeffrey L Farrow   
**To:** H  
**Sent:** Fri Jul 10 18:36:45 2009  
**Subject:** Palau offended by US positions

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Below is the statement of very impressive Palau reps at the end of a session of required meetings on the next phase of free association aid. FYI only, the Palauans were insulted by the nature and depth of the response to their proposal as well as the content and the overall approach. They are even privately questioning the relationship. (This hasn't affected their intent to take the Uighurs.) I will send a few further thoughts.

At the conclusion of yesterday's meeting, the Palau delegation caucused to discuss its reaction to the response of the United States delegation to the proposals that it made in June in Washington D.C., and expanded upon in subsequent communications.

While the Palau delegation has agreed to respond to certain additional questions raised by the United States delegation on specific elements of the Palau proposal, and further has agreed to participate in certain working groups on specific issues, the Palau delegation was deeply disappointed with the response of the United States delegation. The United States delegation did not seriously respond, as required by the Compact, to the operational requirements of the Government of Palau or to Palau's comprehensive and considered plans to achieve economic advancement and self-sufficiency.

In light of the foregoing, the Palau delegation has determined that it must now return to Palau to discuss with President Toribiong the next steps that Palau needs to take regarding the Compact. Thank you.

Jeff

Jeffrey L. Farrow



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