LINE AND PHOENIX ISLANDS INTEGRATED DEVELOPMENT STRATEGY 2016 - 2036

August 2016

REPUBLIC OF KIRIBATI
PROLOGUE

A vision without action is just a dream,
Action without vision passes the time,
A vision with action can change the world!

(Nelson Mandela 2006)
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ACRONYMS

ADB  Asian Development Bank
CC  Climate Change
EDF  European Development Fund
EEZ  Exclusive Economic Zone
EU  European Union
EUD  European Union Delegation
FAO  Food and Agriculture Organisation
GDP  Gross Domestic Product
GoK  Government of Kiribati
HRD  Human Resources Development
IFAD  International Fund for Agriculture Development
KDP  Kiribati Development Plan
KI  Kirimiti Island
KIT  Kiribati Institute of Technology
KDP  Kiribati Development Plan
KPI  Key Performance Indicator
KTP  Kiribati Tourism Plan
LDC  Least Developed Country
LINNIX  Ministry of Line & Phoenix Development
LPs  Line & Phoenix Islands
LPIDS  Line & Phoenix Integrated Development Strategy
M&E  Monitoring & Evaluation
MELAD  The Ministry of Environment, Lands and Agricultural Development
MFED  Ministry of Finance and Economic Development
MFMRD  Ministry of Fisheries & Marine Resource Development
MHMS  Ministry of Health and Medical Services
MLHRD  Ministry of Labour and Human Resource Development
MLPD  Ministry of Line & Phoenix Islands Development
MOE  Ministry of Education
MP  Member of Parliament
MTCTD  Ministry of Transport Communications and Tourism Development
MWYSA  Ministry of Women, Youth and Social Affairs
NAO  National Authorising Officer
NCD  Non Communicable Diseases
NDG  National Development Goals
NGO  Non-Governmental Organisation
NIP  National Indicative Program
NZAID  New Zealand Aid Programme
OAG  Office of the Attorney General
PMU  Programme Management Unit
PRIF  Pacific Regional Indicative Facility
PS  Permanent Secretary
PSO  Public Service Office
PUB  Public Utilities Board
SDGs  Sustainable Development Goals
SEIA  Social and Environmental Impact Assessments
SIDS  Small Island Developing States
SMART  Specific - Measurable - Achievable - Realistic - Timely
SOE  State owned enterprise
SPC  Pacific Community
TA  Technical Assistance
TCF  Technical Cooperation Facility
ToRs  Terms of Reference
TL  Team Leader
UN  United Nations
UNDP  United Nations Development Programme
USP  The University of the South Pacific
ACKNOWLEDGEMENTS

Naturally when an initiative of such wide ranging dimensions and far reaching implications is concluded through a participatory approach, there are many people too numerous to mention individually, to thank for their contributions. It is however important to recognise the considerable time, effort and assistance given by all those who contributed.

In particular, great appreciation must go the people of Poland, Banana, Tabwakea, Tennessee, and Ronton; the social mobilising/field data team; civil society members, Chamber of Commerce and church based contributors; The Town Council of Kiritimati and the MP's of LPIs; the line Ministries both in Kiritimati and Tarawa; Donors, implementing partners, regional and international agencies; and all other stakeholders.

Finally the engine which provided the continuous power, energy, outputs and enthusiasm in the face of harsh deadlines and difficult conditions, the LINNIX team at all levels deserve special thanks for their contribution to the LPIDS.

This is your strategy, own it, follow its implementation and hold to account those charged with taking it forward over the next twenty years. The future is bright but it depends on your on-going vision and commitment.

Kam bati rabwa

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The Line and Phoenix Island Integrated Development Strategy 2016-2036 (LPIDS) is a high level extension of the recently approved Kiribati National Development Plan 2016-2019. It shares and supports the recently elected government of President Taneti Maamau’s vision toward a better educated, healthier and more prosperous nation with a higher quality of life, but specifically focuses entirely on the Line and Phoenix Island groups.

Government alone cannot realise this vision. It must be built on shared and genuine partnerships between all stakeholders. Business as usual must no longer be the norm if we wish to see changes happen. Let us not stick with the legacy of the past just for the sake of it. We must be willing to embrace new changes and commit to cruise the uncharted waters of the LPIDS so that our children can enjoy a better and brighter future.

Given our remoteness and isolation from the government administration centre of South Tarawa, it is befitting that an auxiliary development strategy for the Eastern part of Kiribati is created. Historical neglect of our LPIs has led to fast deterioration of living standards and the very bad state of public assets. The LPIDS intends to fill this gap by drawing closer, for the attention of all stakeholders, the untapped potentials and prospects of these islands. The desire and commitment to develop must start from within in order for our external partners to willingly embrace us with their support.

We are indeed very grateful for the assistance that was extended to us by the European Union in supporting the compilation of this important policy document.

The LPIDS covers a longer time horizon of 20 years as opposed to the 4-year time horizon of the National Development Plan. It is a product of extensive community and stakeholder consultations both on Kiritimati and Tarawa and was approved by Cabinet on 11th May 2016.

The central focus of this LPIDS is to achieve “Inclusive and Sustainable Social and Economic Development”, underlined by an Enterprise led approach, in order to deliver Economic Development, Governance, Infrastructure, Biodiversity, Environment and Land Management, and Social Development and Planning. Enterprise, in the context of this LPIDS, encompasses both social and commercial enterprises. Civil society and churches will also have to be entrepreneurial to sustain their services for their members. A society that promotes the active participation of all its institutions will experience accelerated growth and the associated spill-over benefits of increased income, increased employment opportunities and more inclusive communities.

The machinery of growth is vested in highly skilled human capital and well-functioning public institutions. It is therefore necessary that the skills of all our people are elevated to be able to satisfy the needs of both the domestic and international labour markets. The existing public administration set up and governance arrangements require a major revamp to improve accountability and the effective delivery of public service. We must welcome new changes to improve our status quo.

Let all work together in a genuine spirit of partnership to take this LPIDS forward. I call on the people of the LPIs to join hands together with government and our development partners to support the implementation of this milestone strategy.

Good Health, Peace and Prosperity.

Honourable Mikarite Temari
Minister of Line & Phoenix Island Development
August 2016
EXECUTIVE SUMMARY

The Line & Phoenix Islands Integrated Development Strategy 2016-2036 (LPIDS) is a high level informer of the recently approved Kiribati National Development Plan 2016-2019. It has been developed through extensive community and wider stakeholder consultation and seeks to address the socio-economic and environmental challenges identified through social and scientific research.

The geographical, historical, development and demographic contexts of the Line & Phoenix Islands (LPIs) are described along with the challenges that come with long term neglect of infrastructure, limited private sector growth, weak governance, non-sustainable use of natural resources and fragmentation of social and cultural capital.

At the beginning of the strategy evolution, a set of guiding principles were agreed to direct discussions as they progressed. These guiding principles were the benchmark and reference points for the extensive consultations that influenced the development of the vision, strategic goals and framework for action.

Early in the process, the vision was jointly distilled and agreed by stakeholders. It will serve as the apical reference for future development in the target islands going forward. In order to operationalise the vision, it was necessary to identify attainable strategic goals, objectives which will deliver them and ways to monitor delivery to inform the updating of the goals in the future.

Each goal will lead to specific prioritised, costed short term action plans which will deliver phases of the LPIDS. The three detailed, multi-faceted, four year plans will be created in consultation with stakeholders, guided by the strategic goals, Economic Development, Social Policy and Bio-diversity, Environmental and Land Management Plans.

While the foregoing can be seen as the cornerstones of the future vision of the LPIs, there is also a need to have sound foundations on which to build. Monitoring & Evaluation (M&E), effective and efficient governance with virtuous rule of law, complementary infrastructure and a sound enabling environment are seen as the minimum requirements for successful implementation, as without an appropriate mix, the goals cannot be achieved.

During the evolutionary planning process, some of the high level “drivers of change” required to establish and feed the enabling environment for sustainable development, within the LPIs, were identified. Incrementally and collectively they will combine to form synergies that will drive the new economy of the LPIs. With targeted investment in both public and private sectors, it is expected that there will be a comprehensive delivery of the defined goals over the longer term.

The LPIDS is set in the context of a number of international commitments made by the Government of Kiribati (GoK). These global and regional commitments reinforce and complement Kiribati’s national priorities. The high level goals identified for the LPIDS link directly to the priorities articulated in the Kiribati Development Plan (KDP) 2016-2019.

The detailed physical and operational planning for the LPIs will be contained in the first phase of strategy implementation, during which time significant resources will need to be committed by Government, the local administrations and the communities in arriving at agreed activities and Key Performance Indicators (KPIs). Stakeholder participatory planning will be at the heart of refining the defined goals into objectives and activities which will deliver the changes desired and the broad vision outlined.

A process of scoping, data collection, feasibility, and systems development will now follow, which will identify specifics and inform detailed short term planning and development initiatives. Indicative options for this next phase are provided, but as more knowledge becomes available, the projects, scope and timescales will almost certainly change.
INTRODUCTION
For more than one hundred years the Line and Phoenix Islands (LPIs) have been either managed as coconut plantations or occupied for government and military purposes, with no indigenous population. A range of infrastructure was developed during these specific periods of occupation (telecommunications staging, war, bomb testing, Trans-Pacific Aviation, resettlement) with much of it having been adapted to modern day uses.

Increasing population pressures on islands in the “Gilbert Group” and small Government resettlement programmes on Kiritimati Island (KI), from Kanton, and on Teraina (also known as Washington) and Tabuaeran (also known as Fanning Island) have resulted, with occasional exceptions, in the population of the LPIs growing steadily year on year, between the 1950s and today. Those who have settled on KI are either government workers, a small number of perpetual or short term leaseholders, church leaders, or an embryonic group of business people and their respective families, with the remaining population of the LPIs having no land occupation rights.

However, the infrastructure, public services and communications have not kept up with the growing needs of the population, resulting in severe economic, social and environmental impacts. According to resultant analysis from village level field survey and participatory planning work conducted in Kiritimati, as well as wide spread consultation with Government/ State Owned Enterprise (SOE) employees, the business community and non-state actors, including church groups, a range of settlement and livelihood activities currently being undertaken on Kiritimati, and the wider LPIs, cannot be considered to be consistent with acceptable long term development.
GEOGRAPHY AND CONTEXT

International scientists monitor climate change

Active migratory bird monitoring

Remains of the Flying Boat wharf and Base circa 1928

Monitored from space
i. **Country Profile**

The Line and Phoenix Islands are part of The Republic of Kiribati, an isolated “least developed” Pacific Island State, which is composed of three non-contiguous groups of Islands (Gilbert Islands, Phoenix Islands, Line Islands) scattered over 3.5 million square kilometers (sq.km) and part of “Micronesia”. They are located in the central Pacific around the equator and comprise of 32 inhabited coral atolls and one raised coral island (Banaba) with a total geographical land area of 810 sq.km. The Exclusive Economic Zone (EEZ) is 3.5 million sq.km with the population estimated at 109,693 (2015 census), and Gross Domestic Product (GDP) per capita amounting to A$ 1,838 in 2015; which is one of the lowest levels in the Pacific. The capital, South Tarawa (60% of the population), is located in the Gilbert group while the second largest urban centre, Kiritimati Island (pronounced Christmas), with approximately 9.5% of the population, is located in the LPIs (cf. Map). The political situation is stable with recently elected President Taneti Maamau being head of state, supported by his Cabinet and a newly elected Parliament.

![Geographical Location of the Line and Phoenix Islands](Image)

*Source: Pacific Community (SPC)*

ii. **The Line and Phoenix Islands**

The Line and Phoenix Islands are located in the eastern “tropical convergence zone” of the south central Pacific, with the administrative capital of Kiritimati being more than 2000 miles east of Tarawa, some 1600 miles north of Rarotonga, and 1400 miles south of Honolulu, the nearest neighbours.
There are three inhabited islands in the Line Group and one in the Phoenix Group. The total population of the LPIs is circa 10,500 (2015 census) made up of Teraina (aka Washington) pop. 1712, Tabuaeran (aka Fanning) pop. 2317, Kiritimati pop. 6356 and Kanton pop. 20. Under the policies of the new government, Kiritimati is identified as an economic hub for the development of the other LPIs and the wider country as a whole.

While being very isolated, the LPIs have played important roles in regional and local development. However, since independence, lack of investment, poor infrastructure maintenance and a growing population have resulted in a self-fuelling decline in economic, social and environmental aspects of island life, normally, the key components for sustainable development. This is particularly acute on Kiritimati where there is an increasing body of evidence, both scientific and anecdotal, which points to a rapidly deteriorating quality of life, an over use of resources and an increasing level of pollution.

iii. Development History

Traditionally, there have been a succession of “top down” Government of Kiribati (GoK) planning documents produced in the last two decades or so, for the LPIs. These documents have all focused on the delivery of Public Sector Services, the funding of Government staff and, to a minor degree, the maintenance of Island infrastructure. The “operational plans”, produced by individual line Ministries, have been linked back to the Kiribati Development Plan (KDP). To complement the Ministry of Line and Phoenix Islands (LINNIX) annual financial allocation (AUD$ 4,630,500 in 2016 FY), there have been a series of ad hoc bids to the National Development Fund managed by the Ministry of Finance, for one off, prioritised development projects, promoted by LPI based Heads of Departments and the LPI Ministers. As a basis for the Line and Phoenix Island Integrated Development Strategy (LPIDS), the mission has considered specific targets endorsed during the Sustainable Development Goals (SDGs) Summit in New York, 2015, the Pacific Islands Forum “Framework for Pacific Regionalism”, the SAMOA Pathway and the KDP. It has taken a wider look at development support needs, over a much longer timeframe than traditionally, and identified investment, policy and multi sector support needs, unconstrained by historical Government protocols.

While there is widespread recognition of the challenges, lack of holistic, integrated planning, resource constraints and governance inertia have prevented anything more than token progress being made towards addressing the plethora of inter linked concerns. During the last year, GoK, with the assistance of consultants, has undertaken a novel community based planning exercise. It identified issues and agreed strategies to address them, clarified the sort of outputs which would be expected and envisioned outcomes, in terms of changes that might be reasonably expected in the medium to long term. The results of this work are contained in this strategy.
GUIDING DEVELOPMENT PRINCIPLES

1. Modern plant needed for the development of the LPI's

2. Disused 2 km Aeon Airfield, Kiribati

3. Disused copra wharf, built circa 1942

4. Sailship Kwai, lifeline to northern Line Islands
This LPIDS has drawn heavily on previous research undertaken, active engagement with LPI residents at all levels, dialogue with a range of public sector staff, and active discussions with civil society and the representatives of Small and Medium Enterprises (SMEs). The following guiding principles are the framework around which the LPIDS has been built:

### i. Sustainable in the long term

The principle established at the United Nation (UN) Conference on Environment and Development, Rio de Janeiro, Brazil, 1992, set out a clear definition of sustainability. At the most basic level, long-term sustainability suggests that countries and organisations will improve their chances of survival in the future by ensuring that resources used are responsibly managed and maintained. Put in planning terms, the inter-generational equity must not decline.

### ii. Enterprise Led

In order to break out of an LPI economy that has been dominated by the public sector since national independence and before, it is necessary to rapidly introduce a culture of enterprise and business principles. Not only will this drive the establishment of more efficient systems for resource allocation and use in the public sector, but it will also create an environment where SMEs and social enterprises can flourish in all sectors.

### iii. Climate Change Aware and Responsive

Inundation and erosion are frequent impacts of climate change, destroying key areas of land. Storm surges and wave-overtopping contaminate the fresh groundwater lenses which are vital for the population’s water security. Addressing sedimentary disposition, restoration of agroforestry systems, food plant breeding, and changing water temperatures affecting the overall ecological systems must be incorporated in action planning. All development planning in the LPIs must take account of adaptation research and the limitations imposed by available resources and environmental stability.
iv. **Driven by community planning but outward looking**

There is considerable evidence, not only from other Pacific Island countries but from around the world, that bottom up planning leads to more reactive and responsible planning in the longer term. It is therefore essential that the community engagement and participatory planning, which has been introduced during recent missions, is continued but tempered with information dissemination about the planning context from beyond the LPIs.

v. **Adaptive to changing circumstances**

The history of LPIs has demonstrated enormous change and adaptation over the last century, resulting from the different land use activities and a growing population. When the various scenarios predicted for the LPIs are critically examined, it is clear that this dynamism is set to continue and the people of the LPIs will need to build resilience and adaptability in order to remain on the islands in the longer term.

vi. **Based on sound Governance, Accountability and Rule of Law**

Good governance is at the heart of all sound and stable societies. A stable balance is required between the enabling environment, which comes from a well-planned framework, the minimalist but necessary bureaucracy needed for good public administration, and sound, dynamic stakeholder engagement.

These guiding principles were the benchmark and reference point for the extensive consultations that directed the development of the vision, strategic goals and framework for action.
4. Vision for the LPI’s

Sea inundation from ocean and lagoon
Waiting for spares, 20 years on!
“The UN 2030 Agenda for Sustainable Development”, comprising the seventeen Sustainable Development Goals, are our shared vision for humanity and the main foundation on which the KDP and the LPIDS are built. Looking forward beyond the traditional four year planning time frame to a twenty year horizon, where there is less certainty about the future, by using scenario building techniques based on historical trends, current LPI dynamics and stakeholder perceptions, the following vision has been jointly distilled and agreed. This will serve as the apical reference for future development in the target islands:

"The people of the Line and Phoenix Islands will enjoy a safe and healthy environment that is resilient to the impacts of Climate Change and that supports productive, enterprise based livelihoods, human health and sustainable development within a sound governance framework.”

This high level vision is unlikely to change significantly over time, but the planning and development mechanisms deployed will respond to changing circumstances. The following goals provide a structure for effectively contributing to achieving the character of development being sought.

a. Strategic Goals for the LPI’s

In order to operationalise a vision, it is necessary to identify attainable strategic goals and the objectives which deliver them. Monitoring the delivery of these goals will also be essential to inform their updating in the future. The following have been categorised through public consultations and critical review, as being central to achieving sustainable development in the LPI’s context:

- **Strategic Goal 1:** Sustainable Development of the LPI’s Economy
- **Strategic Goal 2:** Sustainable Inclusive Social Development
- **Strategic Goal 3:** Sustainable Environmental Conservation and Management

While further work with stakeholders will be required to translate the strategic goals and associated indicators into practical, and prioritised action plans through participatory planning, the following are the agreed LPI goal definitions:

**SG1: Sustainable Development of the LPIs Economy.** The public sector dominated economy has shown few signs of developing and expanding over many years. Consequently, an “enterprise led economy” is advocated where the private, civil society and social enterprise sectors are encouraged to flourish through the outsourcing of public services, reduction in business risk and the creation of an enabling environment for business. Ultimately the goal can be defined as delivering “A vibrant economy providing opportunities for all to participate”.

**SG2: Sustainable Inclusive Social Development.** In the modern egalitarian society of Kiribati, which was born out of a long period of colonial rule, there are strong expectations that the community will provide and support the social norms which have been established over time. However, with increasing depopulation of outer islands and the corresponding urbanisation of the capital and now Kiritimati Island, there is an erosion of social capital and an increased burden on the state. The need for social mobilisation and pro-active engagement of communities in resource allocation and social capital building has never been greater. The goal can therefore be defined as “Creating a strong community and family life”.

SG3: Sustainable Environmental Conservation and Management. There are two distinct dimensions to the analysis and planning of the LPIs environment. The first is related to the conservation of biodiversity or natural environment. While the hard evidence is scarce but compelling, there is plenty of anecdotal reports which indicate significant and serious decline in the wider island biosphere of the LPIs over time. The other component is the built or man-made environment and how it is interrelated to human health, wealth and wellbeing. Again, there is ample evidence from health and other statistics or studies that, due to urbanisation, lack of investment and personal choices, the living conditions in the LPIs are deteriorating. In planning for the future, the goal will therefore be to “Effectively manage the biodiversity and urban settlements of the LPIs”.

Each goal will lead to a specific prioritised, costed short term action plan, which will deliver phases of the LPIDS. The three detailed, multi-faceted, four year plans will be created in consultation with stakeholders guided by the strategic goals indicated, i.e. Economic Development, Social Policy and Biodiversity, Environmental and Land Management Plans. These plans will be based on detailed planning information, and will be time and budget limited, with a clear monitoring and evaluation framework.

b. Cross Cutting Issues; Supporting the Goals

While the forgoing can be seen as the cornerstones of the future vision of the LPIs, there is also a need to have sound foundations on which to build. In this context, the following are seen as the minimum requirements for effective implementation, lest without the appropriate mix the goals cannot be achieved:

- **Effective and Efficient Governance, with virtuous Rule of Law**: This has to be fit for purpose, low cost and working in the interests of beneficiaries. The role of Government organisations is to assist with planning, facilitate activities and provide effective regulation. If this is not done efficiently, or could be done equally well at less cost by private sector or social enterprises, then the administration needs to be reformed.

  In countries the world over, historical laws and regulations sit on the statute books which have very often been superseded. Sometimes they have not, but are inappropriate for modern life. When seeking to establish a long term strategy and effective implementation plans, it is essential that this is done within the framework of the law, but also that the laws and regulations associated with them are appropriate. An important part of the strategic planning process is to examine barriers to success and, where possible, mitigate them. This is particularly important where innovation breaks new ground.

- **Complementary Infrastructure**: There is a range of infrastructure which is needed to support strategy implementation, ranging from physical infrastructure to good information and information management, to education and healthcare facilities, through to communications infrastructure and services.

- **Enabling Factors**: A number of issues have been identified which, without resolution, will impact on progress in the longer term. To overcome these, an enabling environment must be created which will set the context for sustainable development. Sound planning, effective communications, informed decision making and bearable resource utilisation will contribute to this situation.

Having defined the vision, the strategic goals and the other fundamentals for success, it is important to establish how we move from the current situation towards the vision we have for the future. The following section identifies some of the most important drivers of change, some positive and some negative, but together they will heavily influence the implementation of the LPIDS.
Monitoring and Evaluation Framework for the Line and Phoenix Island Integrated Development Strategy

Integral to planning for sustainable development is the need to build in robust monitoring and evaluation to the process. In the context of the LPIs, this monitoring will be effected at three levels:

- at the highest level it will link to the KDP and upward to Sustainable Development Goals;
- the second level will be project based with baseline data being collected prior to project implementation, periodic reviews of progress against the project design objectives;
- the third level will involve communities in measuring perceived change from a baseline which they will set themselves and using indicators which are meaningful to those participating.

Periodic internal and external evaluation will ensure dynamic adjustment to strategy implementation.

Overall Objective: To contribute to the improvement of the social and economic development of the LPIs, by promoting a safe and healthy environment that is resilient to the impacts of Climate Change and that supports productive, enterprise based livelihoods, human health and sustainable development within a sound governance framework.

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<th>Expected Results</th>
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<td><strong>Sustainable Development of the Economy</strong></td>
<td>- Gross Domestic Product for LPIs</td>
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<td>- Visitor numbers</td>
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<td><strong>Sustainable Inclusive Social Development</strong></td>
<td>- Effective Governance</td>
<td>- Civil Society Reporting</td>
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<td>- Growth in Social Capital</td>
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<td>- Growth in Academic and Trade Skills</td>
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<td>- Level of Non-Communicable Diseases</td>
<td>- Academic and Trade Qualification Records</td>
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<td>- Under 5 Mortality</td>
<td>- MHMS Records</td>
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<td>- State of the Environment Reporting</td>
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<td>Management**</td>
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<td>- Levels of Conservation management</td>
<td>- Civil Society Reporting</td>
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<td>- Urban quality of life</td>
<td>- Environmental Health Records</td>
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<td>- Strategic Environmental Impact Assessment Reports</td>
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* Particular attention will be needed to address gender aspects and mainstream gender issues by identifying specific gender related actions and establish gender disaggregated (SMART) indicators as performance objectives.
DRIVERS OF CHANGE

5.

High school in Kiritimati

98% youth unemployment in Kiritimati

Competitive sports are popular

Training of social mobilisers
During the evolutionary planning process, some of the high level “drivers of change”, required to establish and feed the enabling environment for sustainable development within the LPIs, were identified. These philosophies, presented in no particular order, have their roots in many divisions of GoK, private sector and other civil society organisations. There is a specific need to ensure that sound, knowledge based planning is implemented, appropriate staff are committed, and sufficient resources mobilised, to enable timely and effective delivery of the strategy.

i. Climate Change

The body of scientific evidence presented at recent international conferences (e.g. Paris, Dec 2015) demonstrated that a number of phenomenon are increasingly impacting on the Pacific Island way of life. In the worst case scenarios for the LPIs, population relocation is likely to be considered as a long term option, but there are many stages of adaptation which can be implemented initially.

![Kiritimati Annual Rainfall and SST](image)

**Correlation = 0.76**

ii. Urbanisation

Historically, life in the islands was one of subsistence and balanced self-determination, with limited connection to the outside world but a good quality of life. However, increasing populations, greater hardship, improving education and growing aspirations of young people, have inevitably led to “urban drift” in search of employment, a better standard of living and a different future to “village life”. Therefore, without good planning, adequate resourcing and good governance, urbanisation can become a catastrophe of social problems, increase poverty and environmental degradation, with few opportunities for sustainable livelihoods.

iii. Governance

Good governance, sound administration and “rule of law” are central to all successful societies. At the community level, governance is often unsophisticated and evolves around tribal “custom”, with a series of other stages up to national and even regional level becoming increasingly more complex. For the LPIs, there is a history of unplanned governance evolution, which has resulted in poor definition of roles and responsibilities as well as paralysis in decision making and resource allocation. Simplified, but inclusive governance and streamlined administration, are the essential bed rock for development in the LPIs.
iv. Knowledge Management

Sound development planning relies on good quality and accessible data. Integrated systems for data collection, management, interpretation and application need to be developed in order to facilitate decision making in all fields, from physical planning to Non Communicable Diseases (NCD) management, and from agricultural production to aviation management.

v. Private Sector Development

The real opportunity for the people of the LPIs lies with appropriate nurturing and support of micro businesses, SMEs and social enterprises. The public sector domination of the local economy has demonstrated, over many years, zero or negative growth, no tangible outputs other than core public sector services, and negligible employment creation. The necessity for a “one stop shop” for all business support needs and inward investor facilitation has been demonstrated already beyond doubt.

vi. Food and Water Security

Any strategic planning involving people must include consideration of basic needs. In the context of atolls, long term provision must be made for food and water security, since the nature of food and water supplies, together with relative isolation of communities in the LPIs, means that there is an inherent risk to food security which must be mitigated.

* Volume measured at source, not including system losses or supplementary sources such as local wells and rainwater.
vii. Energy Provision

As creeping urbanisation impacts on increasing numbers of the LPIs population, the need for energy predictions, which reflect planned domestic and industrial use in the context of the isolation and very high fuel costs in the LPIs, is essential. Renewable energy and virgin coconut oil will be at the heart of the estimating, and will have a significant impact on the viability of embryonic business enterprises, inward investors and transport links, going forward.

viii. Waste and Pollution Management

The arrest and reversal of environmental and social decline in the LP’s will rely on taking rapid and progressive steps towards addressing the waste and pollution challenges that are associated with all growing communities, but are arguably acute in isolated islands. The need to protect the life supporting systems of the atolls is a prerequisite for wider development.

Incrementally and collectively, these “forces for change” will combine to form synergies that will drive the new economy of the LPIs. With targeted investment in both public and private sectors, it is expected that there will be a comprehensive delivery of the predicted outcomes over the longer term. These initiatives will not however be delivered in isolation, but through strong links with international and regional commitments, together with successive Kiribati Development Plans.
INTERNATIONAL AND DOMESTIC FRAMEWORK
### i. International Commitments

The LPIDS is set in the context of a number of international commitments made by the GoK. These global and regional commitments reinforce and compliment Kiribati’s national priorities. Through LPIDS the ability for the GoK to achieve the goals and objectives will be enhanced. Most recently these commitments have included: the Agenda for Sustainable Development that was adopted by the UN General Assembly in September 2015; the Istanbul Plan of Action for Least Developed Countries (LDCs); Small Island Developing States (SIDS) Accelerated Modalities of Action (S.A.M.O.A.) Pathway; outcomes from the Third International Conference on SIDS; and the Framework for Pacific Regionalism.

![Air Visitors by Nationality (Kiritimati)](chart)

*Source: Ministry of Communications, Transport and Tourism Development - Tourism Office*

### ii. Kiribati Development Plan

The high level goals identified for the LPIDS link directly to the Kiribati Development Plan 2016 - 2019. While Ministerial Operational Plans set out costed activities to progress with the Ministry Strategic Plans and feed into the budget process for the preparation of the recurrent and development budgets, the higher level LPIDS Strategic Goals cut across artificial government administrative boundaries, contributing directly to the KDP and associated development indicators.

As Line Ministry policies are reviewed and budgets are aligned with the emerging policies, these actions should take account of the upper level LPIDS and ensure that an enabling environment for delivery of LPIDS, through evolving governance and prioritised projects, is enhanced and supported by the Line Ministries. This will include the disaggregation of operational planning and budgeting in each Line Ministry and the development of monitoring and statistical data to support the LPD planning going forward.
PRACTICAL IMPLEMENTATION OF THE LPIDS
The detailed physical and operational planning for the LPIs will be contained in the first phase of strategy implementation, during which time significant resources will need to be committed by Government, the local administrations and the communities in arriving at agreed activities and KPIs. The first step in implementation will be to utilise stakeholder participatory planning sessions to drive down the overall goals identified into objectives and activities, which will deliver the changes and broad outcomes already identified in the earlier work. To inform this process, a series of feasibility and planning studies will be required. They may be usefully grouped into the following thematic areas:

- **Rationalisation, reform and decentralisation of Governance:** Establishing an acceptable Governance system and facilitating its effective operation will take time and therefore should be an early activity in development planning. One of the prerequisites for most aspects of public sector reform will be the need for extensive legislative review, reform and drafting. The latter will impact on everything, from business support to organisational change, and from agricultural development to communications.

- **Physical Planning, encompassing all aspects of land and inshore resource management:** These will include, but will not be limited to, a comprehensive baseline data collection; an integrated information system being established; the creation of aptitudes to objectively determine and prioritise development; the capabilities to allocate and manage Government land and lagoon resources through clear policy, enforceable conditionality and robust longer term leases; infrastructure capacity and location planning; and stakeholder engagement.

Figure 1.2: Conceptual Framework for LPIDS Implementation
• **Nurturing and growing an embryonic private sector:** The creation of an incubating and empowering atmosphere for the self-employed, SMEs and social enterprises will be a high priority in order to link with Government reforms, outsourcing and economic growth. This will require institutional development to form a “one stop shop” for all business or inward investment, support and advice. A number of existing entities will link up under high calibre leadership to deliver quality support and services within the organisational framework of an “Enterprise Agency”.

**Registered Businesses in Kiritimati**

![Registered Businesses in Kiritimati](image)

*Source: Ministry of Commerce, Industry and Cooperatives*

• **Communications:** The legacy of deteriorating infrastructure is matched by the decline in shipping, aviation, telecom, education, health and social services to provide a daunting scope for the comprehensive replacement programme that is necessary to up-grade and develop the range of communications needed. The early commissioning of LPIs specific costed sector plans, a series of technical and feasibility studies linked to physical planning priorities, and the stimulation of joint ventures or public-private partnerships are essential to underpin the other development themes.

• **Social Mobilisation:** Long term sustainability relies on the active mobilisation of the stakeholders, particularly at the community level. It was clear from the engagement at grass roots level that the needs and aspirations of the marginalised in society did not always get reflected in traditional sector planning methodologies in the LPIs. There is an enormous latent resource embedded in the communities which can be harnessed for their own benefit. To facilitate, this early action to build capacity in civil society should be seen as a priority.

This document is the product of almost a year of research and consultation in the LPIs and South Tarawa. It presents a compromise between competing demands for limited resources and the demonstrable need for change in an inherently traditional society. The framework has been evolved as a result of scenario building based on stakeholder aspirations, resource assessments and constraint mapping, with a view to achieving sustainable development in rapidly changing times. It may act as a blue print for the LPIs now, but time will change the analysis and the need for updating will become apparent. A series of rolling reviews of the strategy will need to be conducted each five years with evaluation informing the next phase of roll out.

A process of scoping, data collection, feasibility and systems development will now follow, which will identify specifics and inform detailed short term planning and development initiatives. An implementation plan is provided at Annex I, which provides some indicative options for this next phase, but as more knowledge becomes available, the projects, scope and timescales will almost certainly change. It is therefore critical that this strategy be reviewed and updated every five years, so that it remains a living dynamic guide for short term planning, going forward.
# ANNEX 1


### 1. Economic Development Themed Actions

<table>
<thead>
<tr>
<th>Implementation Plan</th>
<th>Description</th>
<th>Notes</th>
<th>Timeline</th>
<th>Lead Agency</th>
<th>Cost SAUD</th>
</tr>
</thead>
</table>
| Design and Implementation plan | 4 year plan for:  
- Development Agency  
- Environmental and Marine Resources Master Plan | TA will be required as well as active stakeholder participation | Yr 1 – 2 | LINNIX/ MFED, OAG MFMRD, MELAD | 500k |
| Feasibility and Design Studies: |  
- J/v Fish Loaning and Export Plant  
- Commercial Aquaculture and marine products  
- J/v Sawmill  
- J/v Timber Fabrication for Housing  
- J/v waste recycling Facility  
- Community Bio Fuel Plant | Determine the feasibility and design of the various activities, possibly through a TA Framework Contract (circa AUS$400k per study) | Yr 1 – 5 according to priority and capacity | LINNIX / PMU | 2.5m |
| Extension to Existing Outer Islands ICT and Telecoms Project for LPIs | J/v to Upgrade and provide training for new generation Telecoms | Co-fund core infrastructure and upgrade public private systems to enable high speed broadband | Yr 1 | LINNIX MTCTD/ Telecom Providers | 2m |
| Agricultural Development Project (livestock, composting and horticulture) | Based around the IFAD/FAO Atoll Agriculture model, prepare a detailed long term project, rooted in the private sector. | Monitoring data from existing project should be used to inform the project design, implementation and input supplies | Yr 1 – 10 | FAO/IFAD/INGO’s/ MELAD/ Chamber of Commerce | 6m |
| Smallholder Coconut Rehabilitation and Development Project | Concept based around land leased to smallholders of village groups (outside the water lenses boundaries) which have been identified as viable coconut planting zones | This project will only be possible with land policy reform and the viable utilisation of coconut oil for energy production | Yr 1 – 10 | COC / MELAD/ PUB/ SPC | 1.75m |
| Tourism Promotion and Infrastructure Project | In line with the recent Kiribati Tourism Strategy. Private sector driven development and implementation of action plan for LPIs | Revision of draft LPIs action plan in the light of KTS, consult with stakeholders and implement | Yr 1 – 3 (provision for review and TA in future) | SPC/ LINNIX/ Tourism Stakeholders/ MTCTD | 250k |
### 2. Governance and Public Administration Reform Themed Actions: Short and Longer term

<table>
<thead>
<tr>
<th>Implementation Plan</th>
<th>Description</th>
<th>Notes</th>
<th>Timeline</th>
<th>Lead Agency</th>
<th>Cost AUD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legislative Reform Programme</td>
<td>Planning and oversight of the programme, TA inputs and fiduciary requirement</td>
<td>Core unit with access to TA technical and supervisory assistance</td>
<td>Yr 1 – 5</td>
<td>PMU / LINNIX/ PSO</td>
<td>1m</td>
</tr>
<tr>
<td>Public Sector Reform Programme</td>
<td>Participatory reform of existing 6 levels of Governance into one Unitary Authority</td>
<td>TA Team comprising: - Team Leader- Change Management Specialist - Participatory Engagement Specialist - Human Resource Development Specialist - Public Administration Reform Specialist - Governance Specialist - Enterprise Agency Specialist - Legal Draftsperson</td>
<td>Yr 1 – 2</td>
<td>PMU / LINNIX</td>
<td>2m</td>
</tr>
</tbody>
</table>

### 3. Infrastructure Investment Themes: Specific Actions

<table>
<thead>
<tr>
<th>Implementation Plan</th>
<th>Description</th>
<th>Notes</th>
<th>Timeline</th>
<th>Lead Agency</th>
<th>Cost AUD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wharf and Navigational Equipment</td>
<td>Functioning multi user Wharf, Port facility and associated navigational/Operational facilities (may be developed in Phases)</td>
<td>Y 1 Feasibility and Design Yr 2 Tender Yr 3 – 5 Construction</td>
<td>Short-medium term</td>
<td>LINNIX/ PMU</td>
<td>30-40m</td>
</tr>
<tr>
<td>Business Development Centre</td>
<td>One stop Shop for Enterprise Development: Single source for all business start-up, development and support needs.</td>
<td>Yr 1 Business Agency established under Legislation Existing Public buildings allocated as HQ</td>
<td>Short term/Immediate</td>
<td>LINNIX / PMU</td>
<td>750k</td>
</tr>
<tr>
<td>Implementation Plan</td>
<td>Description</td>
<td>Notes</td>
<td>Timeline</td>
<td>Lead Agency</td>
<td>Cost</td>
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<tr>
<td>Detailed Island Planning Study</td>
<td>Comprehensive review of Town and Country Planning System</td>
<td>New holistic land planning and land allocation system to be developed along with appropriate policies</td>
<td>Short term/immediate</td>
<td>LINNIX/ SPC or UN</td>
<td>750k</td>
</tr>
<tr>
<td>Feasibility and Design Studies: New Town and Infrastructure Study</td>
<td>New Town and Infrastructure Study</td>
<td>Determine the feasibility and design specified activities, through a TA Framework Contract</td>
<td>Short term/immediate</td>
<td>LINNIX / PMU</td>
<td>750k</td>
</tr>
<tr>
<td>Baseline Environmental and Marine Resource Database</td>
<td>Create comprehensive GIS dataset and action plans</td>
<td>Urgent need to address Environmental issues through ongoing data/ information collection and monitoring system that can be used by a range of partners</td>
<td>Short term/immediate</td>
<td>USP/ SPC/ MELAD/ MFMRD/ LINNIX</td>
<td>400k</td>
</tr>
</tbody>
</table>
5. Social Development Themes: Specific Actions

<table>
<thead>
<tr>
<th>Implementation Plan</th>
<th>Description</th>
<th>Notes</th>
<th>Timeline</th>
<th>Lead Agency</th>
<th>Cost SAUD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Community and Youth Plan</td>
<td>Development of a plan and series of short term projects within a sound policy context which enables and empowers communities to address issues of serious concern</td>
<td>Social Capital and capacity building together with policy development, project definition, planning and implementation achieved through social mobilisation, enhanced community education and leadership</td>
<td>Short term/ immediate</td>
<td>LINNIX/ MVYSA/UN</td>
<td>300k</td>
</tr>
<tr>
<td>LPI Health Sector Plan</td>
<td>Review of health sector needs in the light of disease and relative isolation of communities</td>
<td>New 10 year health sector implementation plan is developed along with the adoption and implementation of appropriate policies</td>
<td>Short term/ immediate</td>
<td>LINNIX/ SPC or UN</td>
<td>300k</td>
</tr>
<tr>
<td>Hospital Improvements</td>
<td>Assess immediate improvements required including adequate resourcing of existing hospital</td>
<td>Physical infrastructure improvements were made including resourcing the facilities of the health centre.</td>
<td>Short term/ immediate</td>
<td>LINNIX / PMU</td>
<td>5m</td>
</tr>
<tr>
<td>LPI Education Plan</td>
<td>Review of Educational facilities, capacities and results in the light of student numbers</td>
<td>New 10 year education implementation plan is developed along with adoption and implementation of appropriate policies</td>
<td>Short term/ immediate</td>
<td>LINNIX/ MOE/ PMU</td>
<td>300k</td>
</tr>
<tr>
<td>Setting up of a community college</td>
<td>Establishment of Vocational, Professional Development and Higher Education Training Facilities</td>
<td>Joint enterprise by USP, KIT and Industry to create a single premises which can be used for all types of skills development using visiting tutors and technology</td>
<td>Medium Term</td>
<td>LINNIX/ MOE/ PMU</td>
<td>5m</td>
</tr>
</tbody>
</table>

6. Programme Management, Monitoring and Evaluation

<table>
<thead>
<tr>
<th>Implementation Plan</th>
<th>Description</th>
<th>Notes</th>
<th>Timeline</th>
<th>Lead Agency</th>
<th>Cost SAUD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme Management Unit</td>
<td>Planning and oversight of the programme, TA inputs and fiduciary requirements</td>
<td>Core unit with access to International and regional technical and supervisory assistance</td>
<td>Yr 1 – 5 (yrs 6 – 10 on going)</td>
<td>PMU/ LINNIX</td>
<td>4m</td>
</tr>
<tr>
<td>Programme Monitoring and Evaluation</td>
<td>Baseline Studies, Civil Society Engagement, Monitoring systems, KPIs and timetable</td>
<td>Three levels of M &amp; E: Strategy Implementation, Project Implementation and Impact on beneficiaries. Periodic External Evaluation essential</td>
<td>Yr 1 – 5 (yrs 6-10 on going)</td>
<td>PMU/ LINNIX/ External Consultants/ Civil Society</td>
<td>750k</td>
</tr>
</tbody>
</table>
Copra production, village style