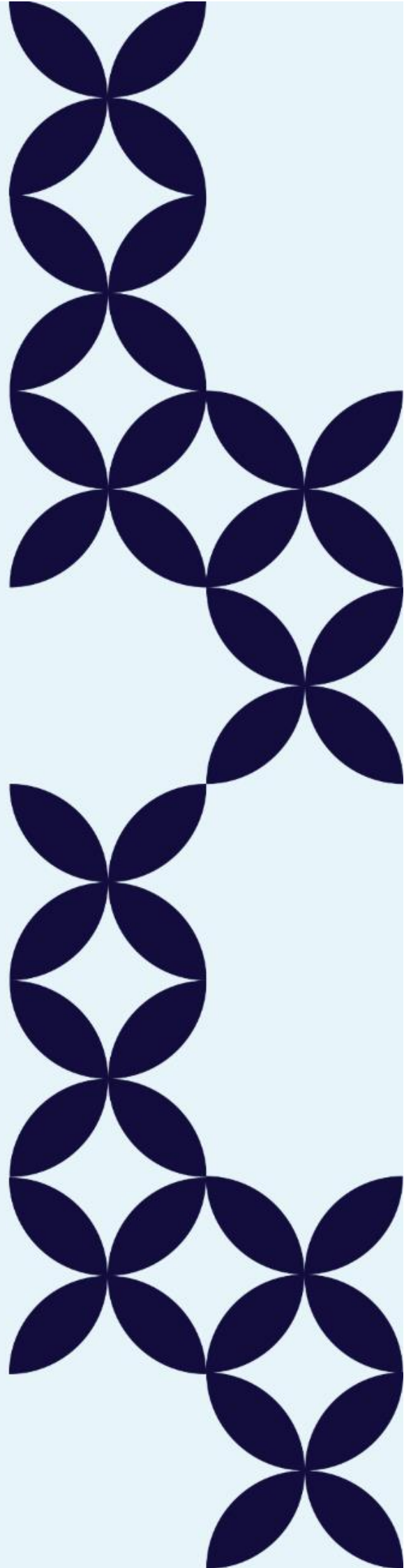
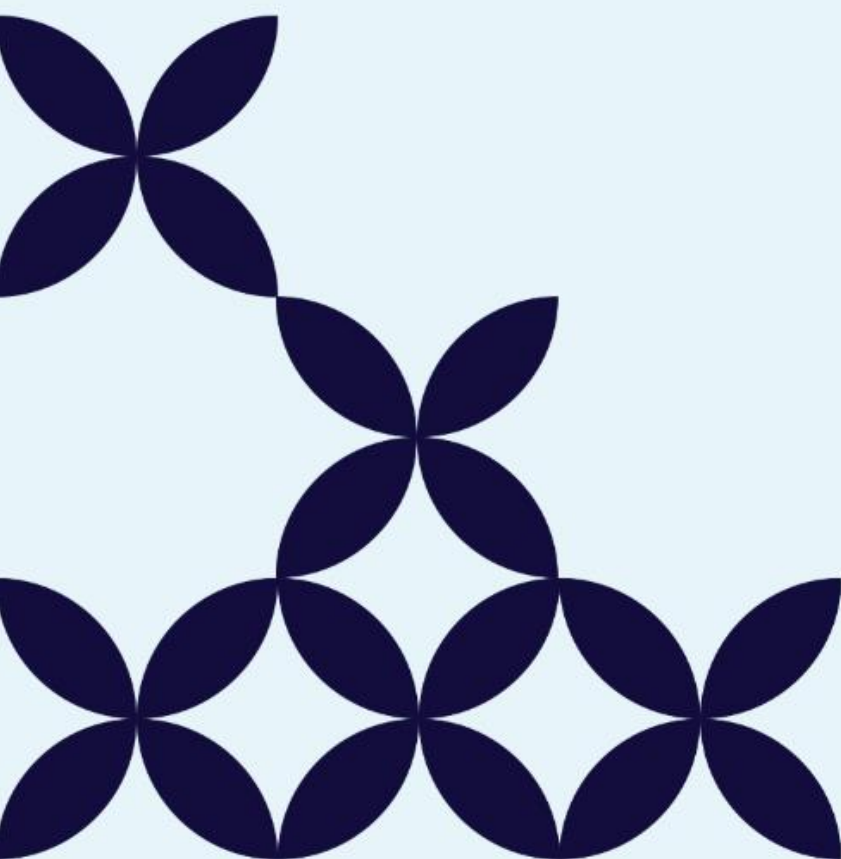
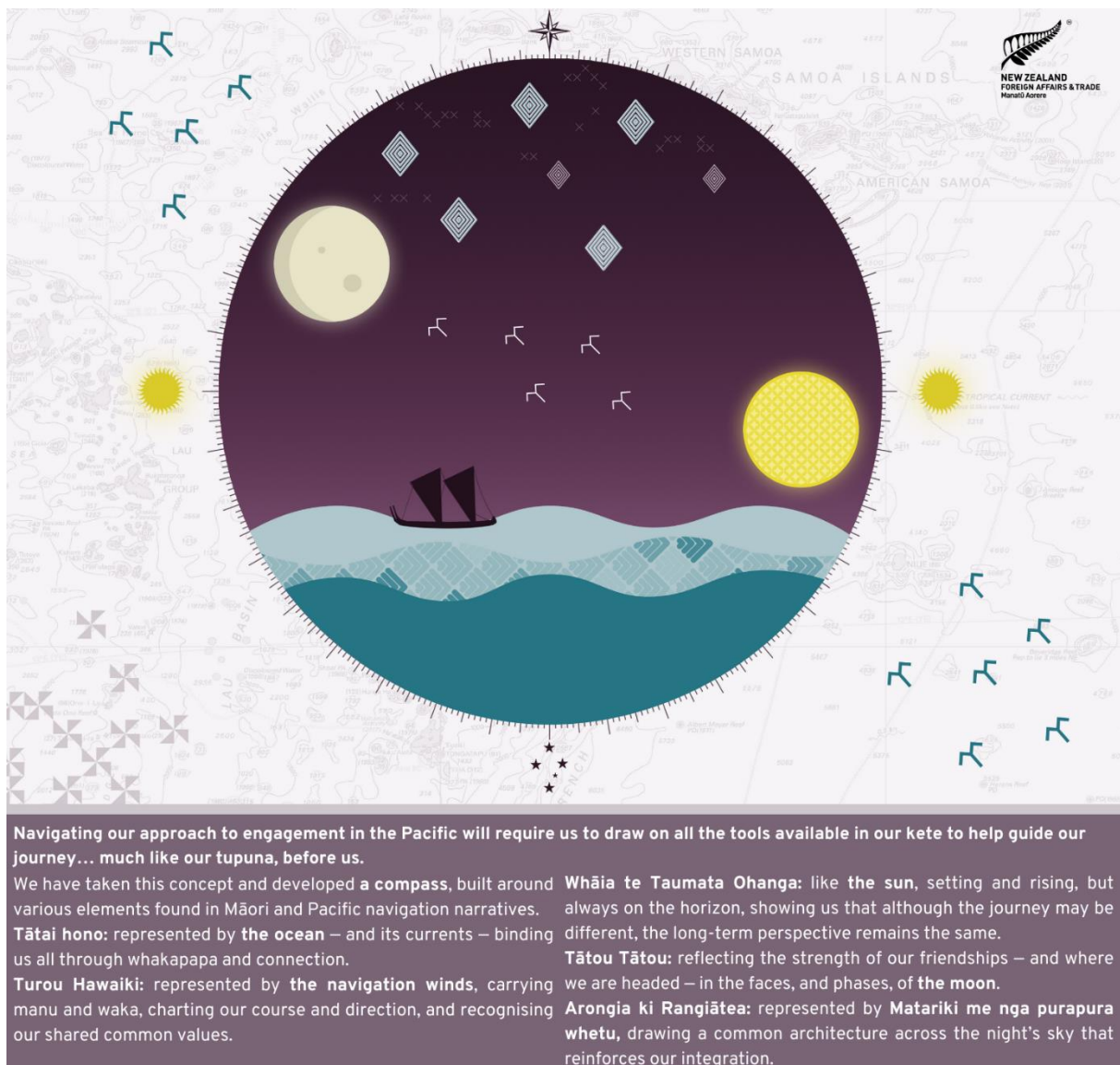


# **Kiribati**

## **Four Year Plan**

**October 2021**





This document is one in a series of Four Year Plans for Pacific Island countries published by the New Zealand Ministry of Foreign Affairs and Trade. For the latest version please go to [www.mfat.govt.nz](http://www.mfat.govt.nz)

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<sup>2</sup> <https://www.legislation.govt.nz/act/public/1981/0047/latest/DLM51358.html>



## Purpose of this document

The New Zealand Ministry of Foreign Affairs and Trade (MFAT) has developed this Four Year Plan (4YP) to guide the planning and management of New Zealand's overall engagement with Kiribati, and as a platform for dialogue.

The 4YP is used to bring clarity to what work should be prioritised and to help monitor progress to achieve shared outcomes and strategic goals.

This is a living document that will be refreshed annually to ensure it responds to changes in country context, including impacts of external shocks such as COVID-19.

### An integrated approach

Aotearoa New Zealand pursues an integrated approach to engagement with Kiribati. We focus on coherence across our diplomatic, trade and economic, climate change, environment, security, and development objectives to deliver sustainable progress in developing countries, and advance New Zealand's interests and values. As such, our development contribution (both policy and financial) is an integral pillar of our foreign policy — it reflects our network of international relationships and commitments, and is an expression of our values.

## Enduring principles for New Zealand's engagement in the Pacific

The **enduring principles** which guide New Zealand's overall engagement in the Pacific region are:

- **Tātai Hono** (The recognition of deep and enduring whakapapa connections):

Shared history and meaningful relationships will shape our engagement, reinforcing New Zealand's depth of connection within the region and increasing understanding of Pacific peoples. These connections can further be enhanced by the shared value of reciprocity, shared national and regional priorities, shared language connections, and the recognition and celebration of the diversity between and within our indigenous values and those of Pacific partners.

- **Turou Hawaiiki** (Navigating together):

Our engagement will recognise that we share common values, and will reflect the unique and substantial overlap with New Zealand domestic policy decisions in respect of the Pacific. The development of New Zealand regional and national policies will actively consider their implications for the Pacific. We will also actively consider the impact on Pacific Island countries from international treaties and agreements that Aotearoa New Zealand is negotiating.



- **Whāia te Taumata Ōhanga** (Journey towards a circular economy):

Our engagement will recognise that the journey we each take is different but our horizon is the same. We will collaborate in support of the Sustainable Development Goals, with the long-term inter-generational perspective these Goals bring consistent with New Zealand's and Pacific Island countries' enduring journey together. We will aim to achieve lasting resilience through Pacific Island countries' enhanced capability to deliver on national and regional priorities through supporting sustainable human, economic, and social development. We recognise each country's mana to determine and protect its own kaitiakitanga.

- **Tātou Tātou** (All of us together):

Our cooperation will be underpinned by the principles of whanaungatanga and friendship, including honesty, trust, and respect. We will listen and have conversations. We will act with predictability, consistency, and based on the values we share as people of the Pacific. We will harmonise our efforts with others. We will confidently share New Zealand's views and perspectives, being clear about the things we will do and the things we will not do. The strength of friendship allows us to communicate openly even when our views differ.

- **Arongia ki Rangiātea** (Focus towards Excellence):

We will actively take an integrated approach across each New Zealand Government agency to recognise the centrality of the Pacific. We will amplify our value in the Pacific through encouraging impactful co-investment from actors outside the region, and by supporting regional architecture that reinforces Pacific ownership and priorities.



## Country overview

### Country context

Kiribati is a Micronesian country with 33 atolls spread over an area larger than the continental United States. Despite its size Kiribati has a single language and a strong sense of national identity. Since gaining independence from Britain in 1979 Kiribati has established a stable system of democratic governance.

Kiribati is categorised as a low income country and is currently one of three least developed countries (LDCs) in the Pacific region. However, it has enjoyed high economic growth over the last decade and is expected to graduate from LDC status in the next decade. Since Kiribati joined the regional fisheries vessel day scheme in 2012, government revenue has quadrupled. Remittances, construction, and government spending are the other main economic sectors.

Kiribati's population of 119,000 is growing rapidly, having increased 17% over the last decade<sup>3</sup>. On the capital island of South Tarawa half the country's population lives in a land area of just 16 square kilometres, and overcrowding drives many of Kiribati's health and social issues. Kiribati also faces a youth bulge, with over a third of the population aged 14 or under.

Kiribati is among the most vulnerable countries in the world to the impact of climate change, with an average elevation of just two metres above sea level. Impacts will include severe flooding and coastal inundation, more frequent drought and salinisation of water resources, changes in patterns of migration in fisheries, damage to coastal reefs and fisheries, and stress on ecosystems and crops. National priorities to respond to climate change largely relate to water and sanitation, coastal protection, food security, and renewable energy.

### Kiribati's National Development Priorities

Kiribati's development priorities are guided by the Kiribati 20-Year Vision (KV20)<sup>4</sup>, an ambitious strategy with the goal of a wealthy, healthy and peaceful Kiribati. The Vision prioritises economic and human development, peace and security, infrastructure, and governance. The Kiribati Development Plan (KDP) is the guide for formulating policies and programmes to advance inclusive economic development in Kiribati. The 2021-2024 KDP includes the following key performance areas: harnessing human wealth; growing economic wealth and leaving no one behind; improving our health; protecting the environment and mitigating climate change; strengthening the integrity and independence of institutions; and maintaining the value of Kiribati's assets. Kiribati's KDP is also supported by its National Adaptation Plan, Nationally Determined Contributions and other sectoral strategies.

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<sup>3</sup> Kiribati 2020 Census – Kiribati National Statistics Office, <https://kir20phc.prism.spc.int/>

<sup>4</sup> <https://www.president.gov.ki/resources/kiribati-20-year-vision-kv20.html>





## COVID-19 impacts

Kiribati has remained free of COVID-19, and the economic impact of the pandemic has been less severe than elsewhere in the region. This has been as a consequence of decisive government action, sustained development partner support, strong fisheries revenues and government investment in increased social welfare. While 2020 saw the economy contract by 0.5% Kiribati is expected to see a return to growth from 2021<sup>5</sup>. However, households have been affected by reduced economic activity in the construction, tourism and hospitality sectors, and reduced access to labour mobility. There is also further risk from the potential impact of low global commodity prices (fisheries in particular) and disruption to the international deployment of seafarers and seasonal workers who send valuable remittances home to their families. In 2021-22 Government of Kiribati will be focused on keeping Kiribati COVID-19 free and rolling out vaccines in particular, planning for vaccine coverage beyond the amount (sufficient for 20% of Kiribati's population) to be provided through the World Health Organisation's COVAX programme.

## New Zealand's partnership with Kiribati

Aotearoa New Zealand and Kiribati have a strong, long-standing relationship based on our shared Pacific identity, historical connections, and mutual trust and respect. Aotearoa New Zealand is one of three countries to have a diplomatic presence in Kiribati, which was established in 1989. Our presence has grown steadily over the last decade, increasing to three diplomatic staff in 2011 and four in 2021. While Kiribati does not have a diplomatic presence in Aotearoa New Zealand, MFAT has a good relationship with the Honorary Consul.

Our people-to-people links continue to grow. Aotearoa New Zealand has a strong, proud I-Kiribati community which has more than doubled since 2006 to over 3,000 people<sup>6</sup>. Before the COVID-19 related border closures Kiribati sent over 250 Recognised Seasonal Employer (RSE) scheme workers to Aotearoa New Zealand annually and 75 I-Kiribati a year were given the opportunity to migrate permanently through the Pacific Access Scheme (PAC). Around 15 I-Kiribati scholarship students also studied at New Zealand tertiary institutions. We expect these schemes to resume once borders re-open. The first ever Kiribati language week in Aotearoa New Zealand in 2020 (which coincided with Kiribati's 41<sup>st</sup> independence celebrations) was also a sign of the importance and strength of New Zealand's I-Kiribati community.

Aotearoa New Zealand is a key development partner for Kiribati. As reflected in this 4YP, we support a range of important sectors including health, education, fisheries, economic development, and climate resilience. A number of New Zealand public sector agencies have established partnerships

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<sup>5</sup>Kiribati: Staff Concluding Statement of the 2021 Article IV Mission, the International Monetary Fund, March 2021, <https://www.imf.org/en/News/Articles/2021/03/02/mcs030221-kiribati-staff-concluding-statement-of-the-2021-article-iv-mission>

<sup>6</sup>Kiribati 2020 Census – Kiribati National Statistics Office, <https://kir20phc.prism.spc.int/>



with Kiribati, including our successful Pacific Maritime Safety Programme which is led by Maritime New Zealand.

Aotearoa New Zealand and Kiribati are currently negotiating a Statement of Partnership, which affirms the strength of our bilateral relationship based on a foundation of friendship, respect, and close cooperation. The Statement is based on four priority areas for cooperation:

- **Partnership** – strengthening our partnership to advance our mutual interests
- **Inclusive development** – supporting equitable and sustainable development for the people of Kiribati to achieve a better quality of life
- **Prosperity** – securing sustainable economic growth and protection of Kiribati’s precious resources, and
- **Resilience** – building Kiribati’s resilience to external shocks, particularly the impacts of climate change.

## New Zealand’s 4YP strategic goals in Kiribati

Our strategic goals are described in the table below. These goals support Kiribati’s vision of a healthy, wealthy, and peaceful Kiribati and are aligned to Kiribati’s four development pillars: economic and human development, peace and security, infrastructure, and governance.

Strategic goals	
<b>Goal One: Kiribati has a healthier population</b>	Improving health is critical not just for the well-being of I-Kiribati but also because of the social and economic impacts of poor health outcomes. These include costs to the health system, negative impacts on household and community resilience, and reduced participation in economic prosperity. Aotearoa New Zealand will continue to support Kiribati’s ambitious health goals including tackling non-communicable and communicable diseases, improving child and maternal health, improving family health, and addressing environmental drivers of improved health such as solid waste management and access to clean water and sanitation.
<b>Goal Two: Kiribati benefits from greater shared prosperity</b>	Kiribati is committed to growing prosperity sustainably for the benefit of all I-Kiribati. Aotearoa New Zealand is working with the Government to tackle unemployment and economic exclusion, with a focus on developing a skilled, competitive human resource base that aligns to Kiribati’s development goals and expands labour mobility opportunities.



## Strategic goals

### Goal Three: Kiribati is more resilient

Building greater resilience is critical to ensuring that Kiribati's development is sustainable and the country is less vulnerable to external shocks. Kiribati's position as a small, remote, low-lying atoll nation means it is particularly vulnerable to economic and climate change impacts. The COVID-19 pandemic has also emphasised the importance of building resilience across the government system.

### Goal Four: Aotearoa New Zealand and Kiribati have a strong partnership

Strengthening our partnership is mutually beneficial for Aotearoa New Zealand and Kiribati. Under this goal we will work together to protect our shared interests and promote greater coordination and collaboration. This goal is a standalone objective while also reflecting how we will work in partnership with Kiribati to achieve Goals One to Three.

## Specific outcomes linked to our strategic goals

The logic diagram annexed to this 4YP sets out how our strategic goals, which are long term outcomes, drive more specific **medium and short term outcomes**. Aotearoa New Zealand will work towards these outcomes in partnership with Kiribati.

## Assumptions

In setting out the logic diagram and outcomes, we have made the following **key assumptions** which we will continue to test and monitor during the implementation of this 4YP:

- Kiribati will remain free of COVID-19. If an outbreak should occur, these outcomes will need to be updated to reflect how Aotearoa New Zealand will support a response which may require focus to be redirected from other areas.
- Free and regular travel between Kiribati and Aotearoa New Zealand will not be possible until 2022 or beyond, but will resume within the period of this 4YP.
- Kiribati's development priorities remain aligned to the KV20. Should Kiribati's priorities significantly change, this 4YP may need to be updated.

## Risks

We have noted the following **key risks** which we will continue to monitor and develop mitigation measures for during the implementation of this 4YP:





Strategic level risks	Mitigation measures
Resource pressure on the Kiribati government system can constrain its ability to engage on our programme of development support and policy engagement.	We will work closely with Government of Kiribati to understand barriers to engagement and accommodate its needs as far as possible (e.g. in terms of scheduling work). We will also look for opportunities to embed capacity building into our development support.
Regular, quarantine-free travel between Kiribati and Aotearoa New Zealand cannot resume in the medium-term, impacting our ability to achieve the outcomes prioritised in this plan.	We will continue to work with the Government of Kiribati to find ways to work remotely, including delivering development support (e.g. the design of Betio Hospital) and policy engagement (e.g. online Partnership Talks).
Kiribati faces economic downturn, if, for example, fisheries revenue is impacted or labour mobility continues to be disrupted.	We will closely monitor the economic situation including through our membership of the Economic Reform Taskforce. Should the situation worsen, we will consider how we can/should pivot our development support accordingly.

## Key themes supporting these outcomes

Aotearoa New Zealand has adopted a number of thematic focus areas for its engagement with the Pacific region, recognising that thematic policy, insights and technical expertise are vital to building strong and resilient partnerships.

Our engagement with Kiribati covers a wide cross-section of thematic areas with a focus on **health**, **the economy**, and **climate and environment**.

### Health

We support the strengthening of **health** systems so that they can withstand health security threats and deliver inclusive, affordable and accessible services. New Zealand's support in this sector covers a wide range of issues including non-communicable and communicable diseases, child and maternal health, family health, and environmental health.



### Economics

We support the development of a prosperous, resilient, and inclusive Kiribati **economy** and help maximise the benefits of international trade and labour mobility opportunities. Aotearoa New Zealand has a particular focus on improving public financial management, building macroeconomic resilience, and developing a skilled workforce.



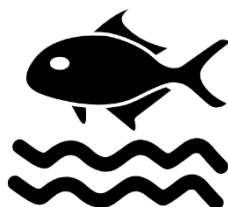
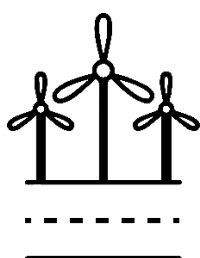
## Climate and the environment

We help strengthen adaptive capacity to the slow- and rapid-onset impacts of **climate change**, and we also seek to help Kiribati mitigate greenhouse gas emissions and protect and restore its natural ecosystems. Aotearoa New Zealand will apply a climate lens to all its development support.



In addition to these three main focus areas, our engagement will cover other sectors including infrastructure and energy, oceans and fisheries, and education.

Our Kiribati 4YP strategic goals and outcomes are also supported through multilateral, humanitarian and partnerships programmes that may be working outside of the key thematic areas identified in this 4YP.



## Achieving development outcomes that are effective, inclusive, resilient and sustained

New Zealand's International Cooperation for Effective, Sustainable Development policy statement identifies four development principles that guide Aotearoa New Zealand's work with partner countries: effective, inclusive, resilient and sustained<sup>7</sup>.

**Effective development** is values driven, partnership focused, adaptive, outcome -focused, and evidence based.

In Kiribati we will aim to deliver effective development outcomes by working in partnership with Government of Kiribati to ensure our development support is aligned to Kiribati's priorities. We will work through Government of Kiribati systems whenever possible. We will work with other development partners to ensure coordination and maximisation of impact where possible.

**Inclusive development** addresses exclusions and inequality created across all dimensions of social identity, while promoting human rights, and equitable participation in the benefits of development.

In Kiribati we will aim to deliver inclusive development outcomes by mainstreaming social inclusion across our development support, with a focus on children and youth and gender. We

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<sup>7</sup> <https://www.mfat.govt.nz/assets/Aid-Prog-docs/Policy/Policy-Statement-New-Zealands-International-Cooperation-for-Effective-Sustainable-Development-ICESD.pdf>



consider Kiribati's unique social context in all work. We support key sectors including health, education and civil society to support all I-Kiribati to reach their full potential.

**Resilient development** strengthens the environment, economy, and societies to withstand shocks and manage crises while protecting future well-being.

In Kiribati we will aim to deliver resilient development outcomes by applying a climate change lens to all of our development work and ensuring resilience and adaptation is mainstreamed. We also support Kiribati to increase economic, social and governance resilience in the face of other external shocks.

**Sustained development** enables lasting progress and is locally owned to uphold results in the long term.

In Kiribati we will aim to deliver sustained development outcomes by developing local capacity and capability, and aligning our work with Government of Kiribati's development priorities. In all of our infrastructure engagements we aim to take a build back better approach and support Kiribati's aim of maintaining the value of its assets.

## How we put this plan into action

To operationalise this 4YP and therefore contribute to achievement of agreed goals and outcomes Aotearoa New Zealand uses a range of actions and works with multiple partners including Government of Kiribati, other development partners, civil society, and the private sector. Where possible, indicators are aligned to the outcomes targeted by the KV20.

International development cooperation funding for this 4YP is managed over a three year period. Over this period, there is flexibility to move funds into and between 4YPs in order to respond to rapidly changing contexts. Current information about New Zealand's International Development Cooperation appropriation is on the MFAT website<sup>8</sup>.

### Goal One: Kiribati has a healthier population

Aotearoa New Zealand will continue to support the delivery of Kiribati's national health priorities working closely with Ministries, other development partners, and non-governmental organisations (NGOs). Our support targets the drivers of health outcomes by addressing infrastructure, service delivery, and workforce development. Our priority sectors include non-communicable and communicable disease, child and maternal health, family health, and environmental health.

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<sup>8</sup> [www.mfat.govt.nz/en/aid-and-development/our-approach-to-aid/where-our-funding-goes/our-planned-aid-expenditure/](http://www.mfat.govt.nz/en/aid-and-development/our-approach-to-aid/where-our-funding-goes/our-planned-aid-expenditure/)



### Key indicators of progress

- |  |   |
|--|---|
| <b>Goal One:</b><br><b>Kiribati has a</b><br><b>healthier population</b> | <ul style="list-style-type: none"> <li>• Reduction in the under-5 mortality rate (KV20)<sup>9</sup></li> <li>• Reduction in the adult mortality rate from non-communicable diseases (KV20)</li> </ul> |
|--|---|

### Goal Two: Kiribati benefits from greater shared prosperity

Aotearoa New Zealand will continue to work with Government of Kiribati to increase access to quality, inclusive employment. Our development support will focus on improving the quality of education and training for I-Kiribati, both domestically and through access to New Zealand scholarships. We also recognise the importance of labour mobility to Kiribati communities. While COVID-19-related border restrictions will impact access in the short term, we will continue to engage with Government of Kiribati on its ambitions to grow labour mobility opportunities in Aotearoa New Zealand.

### Key indicators of progress

- |   |  |
|---|--|
| <b>Goal Two:</b><br><b>Kiribati benefits</b><br><b>from greater shared</b><br><b>prosperity</b> | <ul style="list-style-type: none"> <li>• Reduction in national unemployment rate (KV20)</li> <li>• Increase in number of overseas labour markets that I-Kiribati are accessing (KV20)</li> </ul> |
|---|--|

### Goal Three: Kiribati is more resilient

Under this goal Aotearoa New Zealand will focus on supporting Kiribati's climate and economic resilience.

To support Kiribati's climate resilience, we will play an important facilitation role – examples being provision of quality data to Kiribati decision-makers, advocacy with our partners for support, and encouragement of stronger regional dialogue. We will also support well-targeted development interventions where we can add most value, including water security, and oceans and fisheries.

In addition, we will ensure that climate change is mainstreamed across our development assistance, including by ensuring our infrastructure projects are climate resilient. We will seek more opportunities to work together at international fora to advocate for stronger action on climate change by the global community and more assistance for affected countries.

<sup>9</sup> [Kiribati 20-Year Vision 2016-2036](#)



To support Kiribati's economic resilience we will continue our focus on strengthening fiscal and financial management, including through ongoing engagement in the multi-partner Economic Reform Taskforce.

#### Key indicators of progress

**Goal Three:  
Kiribati is more  
resilient**

- Improved sustainable management and protection of marine and coastal ecosystems<sup>10</sup>
- Government of Kiribati does not draw down from the Revenue Equalisation Reserve Fund (RERF) (except in accordance with the withdrawal framework)<sup>11</sup>

#### Goal Four: Aotearoa New Zealand and Kiribati have a strong partnership

Under this goal we will work to strengthen our already close, long-standing partnership with Kiribati. We will pursue regular, open and constructive dialogue on regional and global foreign policy matters of mutual interest. This will include annual Partnership Talks, and we will also look for more opportunities such as more regular senior officials' level dialogue and more Ministerial engagement. In doing this we will seek to identify and address the potential impacts of New Zealand's domestic policy decisions on Kiribati as part of a two way process.

We will also continue to develop our people-to-people links through scholarships, labour mobility, and cultural exchange.

#### Key indicators of progress

**Goal Four:  
Aotearoa  
New Zealand and  
Kiribati have a  
strong partnership**

- Regular constructive dialogue at senior officials and Ministerial level (including, and beyond, annual Partnership Talks)

<sup>10</sup> Kiribati 20-Year Vision 2016-2036, available at <https://www.president.gov.ki/resources/kiribati-20-year-vision-kv20.html>

<sup>11</sup> Kiribati Development Plan (KDP) - draft



## How we assess progress against this plan

We report back on progress towards our goals in the Pacific overall via MFAT's Annual Report<sup>12</sup>. In addition, we report back on this 4YP to Government of Kiribati via our Partnership Talks, which are Annual High level Consultations, and through ongoing discussions at officials' level. This not only gives us an opportunity to discuss what has been achieved in partnership, but also to test whether our plan remains fit-for-purpose or we need to change anything.

Kiribati's progress against the key indicators listed for each strategic goal help us to monitor progress at the highest level. We also support and use country-owned statistics and data to monitor country progress at the macro level and therefore will not develop a separate country-level measurement framework.

In addition, we monitor and evaluate our development activities to ensure effectiveness and ongoing strategic alignment. The results and any lessons learned from this process are compiled annually and fed into an annual reflection discussion and report on progress against the 4YP outcomes. This in turn informs the annual updates of the 4YPs.

Every 6-8 years we will commission an independent evaluation of MFAT's overall engagement in Kiribati in partnership with Government of Kiribati. This evaluation, which will consider progress against outcomes, the challenges and any lessons learned, will inform continued improvement.

The next independent evaluation of the Kiribati 4YP is planned for 2022/23.

### For further information

Contact details for the New Zealand High Commission to Kiribati are available on the MFAT website<sup>13</sup>.

To find out more about New Zealand's engagement with Pacific Island countries also go to the MFAT website, at [www.mfat.govt.nz/en/countries-and-regions/australia-and-pacific/](https://www.mfat.govt.nz/en/countries-and-regions/australia-and-pacific/)

<sup>12</sup> <https://www.mfat.govt.nz/en/about-us/mfat-annual-reports/>

<sup>13</sup> <https://www.mfat.govt.nz/en/countries-and-regions/australia-and-pacific/kiribati/new-zealand-high-commission-to-kiribati/>





Appendix: Logic diagram for Kiribati 4 Year Plan

