

Part 1 – Kiribati Country context and baseline

- **The main development challenges for Kiribati are:**
 - Isolation with 32 coral atolls and one raised coral island with transport difficulties between islands
 - Small population base (100,000) but overcrowding in South Tarawa
 - Poor soil fertility with soils so agricultural industries not advanced
 - Large youth unemployment
 - Lack of educational opportunities
 - Health issues particularly non-communicable diseases
 - Climate change
 - Lack of infrastructure
 - Low economic base

Kiribati Development Plan 2012-15 focuses on:

- Human Resource Development
- Economic growth and poverty reduction
- Health
- Environment
- Governance
- Infrastructure

Baseline situation:

- Project proposals are normally forwarded to Planning Division of Ministry of Finance
 - Proposals must outline summary, objectives, budget, benefits, also cost-benefit analysis (which is normally a few descriptive sentences and no economic analysis) alternatives considered, duration, outputs, impacts, risks
 - Planning Division makes an appraisal of the proposal
 - Proposal then goes to DCC for consideration
 - If passed then to Cabinet for approval
 - Once approved then donors contacted to see if there is any interest
 - Development Budget is separate from the recurrent budget

Current capacities in the government

- Not many with Economics/Accounting background

Previous and on-going trainings programmes related to economic analysis capacities

- Most of Planning Staff have undergone training in early 2013 on Cost-Benefit Analysis
- Not aware of any other CBA type training in other Ministries

Part 2 – Country needs

Aspects of the baseline previously outlined to identify needs and opportunities in term of:

- Practices,
 - Sometimes the Planning Division of the Finance Ministry is bypassed for assessing Project Proposals and the Proposals go straight to Cabinet
- Capacities,
 - Problem with lack of resources
 - Ministries are generally already stretched for time and ability to achieve new goals

- and training
 - Training should be undertaken at Ministerial level but concern is that officers will not apply themselves to take advantage of new training

Part 3 - Expectations

- Expectations from the P-CBA initiative
 - In particular interested to see if CBA can shed any light on particular projects that have high costs associated with them