

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: PAHQ

TA No. and Name TA 4257-KIR: Supporting Land Use Management on Kiritimati (Christmas) Island			Amount Approved: \$300,000																		
			Revised Amount: N.A.																		
Executing Agency Ministry of Environment, Lands, and Agricultural Development	Source of Funding: TASF	TA Amount Undisbursed \$1,661.82	TA Amount Utilized \$298,338.18																		
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<p>Description</p> <p>Kiritimati Island, with an area of 388 km² (nearly half the land area of Kiribati), is located some 3,000 km to the east of the capital South Tarawa. The National Development Strategies (NDS), 2004–2007, identifies Kiritimati Island as a potential growth island, with opportunities in ecotourism, agriculture (primarily copra), tourism, fishing, and space telecommunications. The lands on Kiritimati Island are state-owned. Current population of the island is about 5,000. Two legislations on land use management are relevant to Kiritimati Island, i.e., the Land Planning Ordinance (Cap. 48) and the State Land Act 2001. The plot is leased for 25 years renewable for a further lease for one term only for a period no longer than 25 years, after which the land and unmovable structures shall be returned to the Government.</p> <p>There were 395 applications for land lease in Kiritimati Island between 1995 and 2002. The Cabinet approved 158 applications, 77 were rejected by the Kiritimati Local Land Planning Board (KLLPB), and an additional 160 were deferred or rejected by Cabinet. As a consequence of inability of residents to secure land tenure, there are many squatters on Kiritimati Island. The squatter problem was aggravated because of continuous immigration from South Tarawa. Therefore, the number of squatters has increased from about 50 families in 2003 to over 200 families (other source mentioned about 300 families) in 2006. In late 2002 and 2003, KLLPB issued eviction notices to remove illegal occupants. However, the Cabinet ordered KLLPB to suspend the eviction notices to squatters. Prior to technical assistance (TA) implementation in 2003, collection of rent has been a major problem with an estimated amount at A\$325,000 (equivalent to \$234,319) in rent arrears. Community awareness program has been undertaken under the TA and rent reminders given monthly resulting in increased payment of outstanding rent. However, enforcement and compliance continues to be difficult because of the prevailing sociocultural order. Despite of rent payment by some of the leaseholders, the outstanding rent has reached above A\$600,000 (equivalent to \$457,740) in 2006, reflecting the difficulties to deal with this issue. The TA has placed a strong emphasis on streamlining the existing land management and planning system as this is the pivotal conduit to meet the existing and projected demand for land for residential and business purposes.</p> <p>Expected Impact, Outcome and Outputs</p> <p>The purpose of the TA is to assist in improving the land management system in Kiritimati Island, so it will streamline the existing land management system to meet the projected increasing demand for land for residential and business purposes. The expected TA outputs include policy recommendations related to land management system for state lands, updated general land use plan and draft detailed land use plan, additional plans prepared for new priority areas, streamlined and transparent land allocation and permit system, an acceptable incentive system to collect outstanding rent, a sustainable system for maintaining and upgrading the technical capabilities of LMDK, and improved land management system adopted and implemented. The TA design has been relevant with the government policy to develop Kiritimati Island as growth center. It was implemented with extensive consultation with stakeholders, and the outputs have been acceptable to them.</p> <p>Delivery of Inputs and Conduct of Activities</p> <p>The Ministry of Environment, Lands, and Agricultural Development (MELAD) was the Executing Agency. It provided counterpart staff (from the LMD Kiritimati and LMD Tarawa) to jointly work with the consultants in TA implementation. A team of four international consultants were recruited through a consulting firm for a period of 9 months. The total consultant inputs was increased from 8 to 9.5 person-months to accommodate the Government's request to assist MELAD in preparing draft papers on land development program for inter-ministerial meetings as well as for presentation to the Cabinet. It also helped in establishing Committee for Allocation of State Lands (CASL) including guidelines, rules, activities and functions and an outline land development program in Kiritimati Island. The performance of the international consultants was satisfactory.</p> <p>The achievement of the TA objectives and outputs was attained satisfactorily. The Government commitment to the TA outputs was strong. A stronger relationship among stakeholders on Kiritimati Island was developed, particularly a good working relationship among the Ministry of Line and Phoenix Islands Development (MLPID), Kiritimati Local Land Planning Board (KLLPB), Kiritimati Island Council (KIC), and LMD Kiritimati. Adequate office space and logistical support were provided by the Government. The performance of the Executing Agency was Satisfactory. The Equipment, including computer hardware and software, a theodolite total station, and geographical positioning system (GPS) units, have been procured through the TA and are now being used in its operation. TA administration and supervision undertaken by ADB staff is considered satisfactory, including fielding an inception and a review mission. These missions adequately monitored progress and evaluated the TA progress and achievements.</p> <p>Evaluation of Outputs and Achievement of Outcome</p> <p>The main outcome of the TA, comprising: (i) development of a new land management system for Kiritimati Island which includes among other things, the establishment of annual land release target, inputs for statutory amendments of the State</p>																					

Lands Act, 2001, establishment of a new Central Land Planning Board (CLPB) for Kiribati Island; (ii) Cabinet endorsement of the new land management system, which includes release of 300 plots in the first year, and additional 300 plots for the following 3 years (a total of 600 plots to be released in 4 years), establishment of CASL to screen applications; (iii) commencement of implementation of the new land management system, which includes adoption of general land use plan by the KLLPB and KIC, preparation of detailed land use plan for selected areas, two structure plans showing layout of main land uses for the two proposed townships of New Banana and Tabwakea North, locating 600 plots, and preparation of layout plans for some 422 plots within the proposed development fronts; and (iv) building capacity of LMD Kiribati and the development of range of management tools for use by LMD Kiribati including establishing computerized land use management database and GIS system. One key recommendation of the TA to release land as freehold to stimulate private sector development was not adopted by the Government, similarly the suggested land valuation for Kiribati. This will have wide implication for economic development in the future because of inability to use land as security for mortgage. This issue should be further worked out to find better solutions especially so as to help those people who cannot afford cash to seek a loan for development of their land and/or for business capital (using leased land as collateral).

The TA was well implemented throughout its duration, notwithstanding the major challenges the Government faces with limited overall supply of State land and the high demand for land. There has been active participation and willingness by the Government to take the new concept in managing state lands and the process by which land tenure and development of lands is undertaken. The result of the above was the endorsement by the KIC and KLLPB (in August 2004) of a new land management and planning system for Kiribati Island. The components of this new system as developed through the TA including the policy, legislative, and institutional dimensions were discussed and endorsed by Cabinet in a series of major and minor Cabinet papers. In October 2004, a Cabinet paper was approved which now forms the basis of a new land management system in Kiribati Island. TA outputs and recommendations were used as the basis of a number of Cabinet papers on land use management in Kiribati Island including "Planning and Development of State Lands for Resettlement, Business and other Public Uses on Kiribati," dated June 2005. It specified Government agreement to release 300 plots as leasehold for the first year under the Government's land release program. Another Cabinet paper was "Development of State Lands at Kiribati," dated January 2006. It restated the release of 300 plots, and it further specified that the lease can be extended for two terms of 25 years each term (a total of 75 years), selection criteria, establishment of selection committee, and details of plot sizes. In addition, in June 2006 MELAD drafted a paper for the Cabinet on Land Matters Constraining Land Planning and Economic Growth on Kiribati. It proposed a strategy to deal with squatter issues, outstanding rent payments, and discussed the issue of inability to use leased land to obtain mortgage, and proposes the need for annual or bi-annual plot release target. This strategy was prepared based on recommendations of the TA report, but the Cabinet asked for further consultations on these politically and culturally sensitive issues. The draft Paper will be revised based on consultations led by the MLPID and will be presented to the Cabinet for consideration. The Government is very cautious in addressing such sensitive issues and this has made the process slower than anticipated.

Overall Assessment and Rating

Overall, implementation of the TA is rated Partly Successful because the TA outcome has not fully achieved. The TA has provided substantial outputs and assisted the Government in improving land use management in Kiribati Island, including the development of a new land management system particularly the annual land release targets. It has also provided a foundation for the new land use management system to operate, however, there are still some impediments to be addressed (particularly on rent arrear, squatters, and land as security for mortgage). Although the overall TA outputs were adopted and are being implemented, there are still challenges for the Government to make decisions which may not be in line with political and social environment, hence like to swim against tide. Therefore, political will is necessary.

Major Lessons

Strong support of the key officials including the Ministers (MELAD and MLPID), the Attorney General, and the Solicitor General facilitated TA implementation and adoption of TA recommendations. Strong commitment of counterpart staff in LMD Kiribati and LMD Tarawa were instrumental in the successful implementation of the TA. However, budget for hardware/software maintenance competed with other operation needs of the LMD Kiribati. Therefore, government's commitment for operation and maintenance of equipments should be further strengthened (the computer server was down during the Mission's visit in September 2006 and is now being repaired in Tarawa). Land development program has wide implications including infrastructure development, hence MLPID which has the authority for the Line and Phoenix Islands development should take the lead in development coordination. Cultural orientation and political influence may affect the implementation of recommendations for the project that related to lands, hence the need to factor these issues as early as possible. Besides, since decision makers reside in Tarawa, work with stakeholders in Kiribati should be balanced with work with the major decision makers in Tarawa. This will facilitate adoption of the TA outputs by the decision makers.

Recommendations and Follow-Up Actions

Basic foundations have been laid down for the implementation of a new land management system in Kiribati. It produced a range of recommendations that have been widely accepted. Some selected recommendations would need further assistance which will lay down detailed plan of land development program where the proposed Outer Island Growth Center will be built on. This will include: (i) Land planning and infrastructure coordination, which will include a more detailed plan for land and infrastructure development program for priority areas (township development at Tabwakea North and New Banana); (ii) Land survey and administration, which include physical marking of plots on the ground including completing plot diagrams and computations, establishing a range of land administration requirements and update the land information system; and (iii) Land Regulations, which will strengthen the legal basis for land development program.