

ASIAN DEVELOPMENT BANK

TAR: KIR 37374

TECHNICAL ASSISTANCE

TO THE

REPUBLIC OF KIRIBATI

FOR

SUPPORTING LAND USE MANAGEMENT

ON KIRITIMATI (CHRISTMAS) ISLAND

December 2003

CURRENCY EQUIVALENTS

(as of 31 October 2003)

Currency Unit	–	Australian dollar (A\$)
A\$1.00	=	\$0.721
\$1.00	=	A\$1.387

ABBREVIATIONS

ADB	–	Asian Development Bank
AusAID	–	Australian Agency for International Development
DLUP	–	detailed land use plan
GIS	–	geographic information system
GLUP	–	general land use plan
KLLPB	–	Kiritimati Local Land Planning Board
LAPLIS	–	Line and Phoenix Land Information System
LINNIX	–	Line and Phoenix (group islands)
LMDK	–	Land Management Division, Kiritimati
MCIC	–	Ministry of Commerce, Industry and Cooperatives
MELAD	–	Ministry of Environment, Lands and Agricultural Development
TA	–	technical assistance

NOTES

- (i) The fiscal year (FY) of the Government ends on 31 December. FY before a calendar year denotes the year in which the fiscal year ends, e.g., FY2000 ends on 31 December 2000.
- (ii) In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. Advisory technical assistance (TA) for supporting land use management on Kiritimati (Christmas) Island was included in the Asian Development Bank (ADB) 2003 nonlending program for Kiribati after the country consultation mission in May 2003 and the Government confirmed its request to include the TA grant from ADB.¹ The TA will promote the development of the island as a new growth center in the eastern part of the country. A Fact-Finding Mission visited Kiritimati Island during 13-19 October and Tarawa during 26-29 October 2003 and held consultations with Government officials, the private sector, and an assistance agency (Australian Agency for International Development [AusAID]). The Mission reached an understanding with the Government on the objectives, scope, and the implementation arrangements of the TA.

II. ISSUES

2. The Republic of Kiribati consists of three groups of islands: the Gilbert Islands, the Phoenix Group Islands, and the Line Islands. There are 33 islands with a total land area of 810 square kilometers (km²) within an exclusive economic zone of 3.5 million km². Land on the Gilbert Islands is generally customary land, whereas lands on the Phoenix Group and on the Line Islands, where people only recently settled, are state land.² The northern Line Islands that include Kiritimati (Christmas), Teraina (Washington), and Tabuaeran (Fanning), which were sold to private owners in the colonial period, were purchased back by the Government in 1983. Kiritimati (475 km²) was virtually uninhabited until the mid-1950s, but had a population of 5,500 in 2002.

3. Four acts and ordinances govern land management in Kiribati.³ Two of the acts/ordinances are specifically relevant to Kiritimati Island. The Land Planning Ordinance addresses land use plans and development control for state lands. It regulates the issuance of permits to develop or redevelop state land for residential and business purposes; however, the Government specifies that only development for business is allowed for Kiritimati Island. The State Land Act 2001 focuses on contract ownership for family residential development. It supports the Government's resettlement program from densely populated Tarawa to outer islands.⁴ Thus, the Land Planning Ordinance and State Land Act complement each other: the Land Planning Ordinance emphasizes business development leases, whereas the State Land Act focuses on residential uses.

4. To improve land management including the land registration system in Kiribati, ADB provided TA to enhance the Government's information capacity in urban planning, environmental conservation, natural resource management, and infrastructure planning and design for Tarawa.⁵ The TA was closed in May 1999, after successfully providing the Land

¹ Memorandum of Understanding of the 2003 Country Consultation Mission signed by the Asian Development Bank and the Government of Kiribati on 29 May 2003. The TA first appeared in *ADB Business Opportunities* (Internet edition) on 3 July 2003.

² Customary lands are lands traditionally and communally own by communities and are inherited through generations. State lands are lands under government control.

³ The Land Planning Ordinance (CAP. 48, 1977), Native Lands Ordinance (CAP. 61, 1977), State Pre-Emptive Right of Purchase Act 2001 (Act to Afford Kiribati a Pre-Emptive Right to Purchase Certain Land for Land Planning Purposes), and State Land Act 2001 (Act to Establish A Land Tenure and Administration System for State-Owned Lands on Islands in the Republic of Kiribati Where Development and Settlement to Be Encouraged).

⁴ A resettlement program was carried out to resettle people from Tarawa to Teraina and Tabuaeran during 1988–1992, but was suspended considering the carrying capacity of the islands. Kiritimati Island is now considered for accommodating people resettled from Tarawa.

⁵ ADB. 1997. *Technical Assistance to Kiribati for Aerial Photography and Mapping of Tarawa*. Manila.

Management Division in Tarawa with a computer-generated cadastral base for an effective land registration system.

5. To address emerging land issues on the Line and Phoenix Islands, the Government established the Land Management Division, Kiritimati (LMDK) in 2001 under the (now) Ministry of Environment, Lands, and Agricultural Development (MELAD). The Government commitment to establish LMDK was included in the National Development Strategy 2000–2003. The mandate of LMDK includes (i) providing a land planning framework for managing both private and government land; (ii) providing an efficient land information system; (iii) undertaking cadastral survey, identifying boundaries, and producing maps and plans; (iv) taking a lead role in management and planning of the Line and Phoenix (LINNIX) group islands; and (v) administering and enforcing legislation relating to lands and land use planning. LMDK functions as technical secretary of the Kiritimati Local Land Planning Board (KLLPB). KLLPB is an interagency body chaired by the permanent secretary of LINNIX.⁶ Its major tasks are to (i) prepare detailed land use plans, and consider lease applications for land development and redevelopment within designated areas; (ii) maintain an applications register and a permission granted register; (iii) impose any planning, building, and lease conditions that it considers necessary (development control); and (iv) prepare regulations prescribing the design, structure, and materials in constructing buildings within the designated area.

6. In 2001, AusAID provided technical assistance for strengthening the newly formed LMDK.⁷ This assistance has been completed and provided moderate ability in LMDK to use a geographic information system (GIS), mapping system, and a computerized land information system, including an inventory of commercial leases and freehold land sales on Kiritimati, Teraina, and Tabuaeran islands (called the Line and Phoenix Land Information System or LAPLIS). LAPLIS and the GIS provide a number of outputs, including a general land use plan (GLUP), draft detailed land use plans (DLUPs) for priority areas, location and details of lease applications, purchase of freehold land, and rental payments. The two systems are not yet integrated and unfortunately still run separately. Furthermore, sustainable functioning of equipment, repairs, and maintenance have proved to be key difficulties because technical support is not available on the island. A simple failure of the ethernet hub switch has resulted in the breakdown of the network system that significantly affected the functioning of LAPLIS. Staff are now reverting to recording lease applications on a much simpler spreadsheet (about 20 applications for 2003 have not been included in LAPLIS).

7. Land is made available through development/redevelopment leases or freehold ownership.⁸ The procedure for obtaining a land lease permit requires submission of a lease application and business plan to KLLPB which evaluates the application during its irregular board meeting and decides whether to approve or reject the proposal. Successful application will be further processed for endorsement by the Minister of MELAD (which process will also

⁶ KLLPB members include the Land Management Division (MELAD), Agricultural Division (MELAD), Wildlife Conservation Unit (MELAD), Environment Division (MELAD), Commerce Division (Ministry of Commerce, Industry & Cooperative), Civil Engineering (LINNIX), Development Planning (LINNIX), Baneawa Women's Organization, and the Land Planning Officer as KLLPB's Secretary.

⁷ The technical assistance (A\$1.2 million [equivalent to \$600,000]), implemented from June 2001 to November 2002) covered the following components: establishing office management and planning capabilities facilitating better coordination between key players establishing mapping and land registration system promoting community awareness responding to and resolving pressing land planning needs and facilitating effective project management processes.

⁸ The size of land for development lease is normally 0.25 acre on Kiritimati Island, but can be larger. The lease rates regardless of location are as follows: commercial lease, A\$1,129.50 per acre; residential lease, A\$874.50 per acre; and land purchase price for freehold land, A\$1,000 per 0.5 acre.

include endorsement by the Cabinet). No strict time limits are presently followed for the processing and the time could stretch up to more than 2 years. The identified lot 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 will be returned to the Government (a practice that can discourage long-term investments). From October 1995 to December 2002, over 395 business applications were submitted to KLLPB. Of that number, 77 applications were rejected, and those that were approved were forwarded to the Ministry. Until early 2003 only 115 had been endorsed by the Cabinet, and 203 applications were deferred.⁹ Among the reasons given for rejection is the large number of business ventures proposed without a defined market, or many similar business proposals. There are also cases where people had applied for a land lease for business, but built a house instead and lived there without engaging in any business. (Government entities and the churches can apply for residential leases with the same lease terms.) Thus, KLLPB has resolved not to consider any further lease applications until the Cabinet has decided on the outstanding applications. To minimize inappropriate land uses, the Cabinet recently approved the GLUP for Kiritimati Island.

8. There is a relatively large amount of outstanding rent from commercial as well as residential leases. According to LAPLIS, from October 1995 to December 2002, 106 recorded leases on Kiritimati Island with a total lease area of 96.5 acres (or 38.6 hectares) had a total cumulative rent of A\$325,049 (equivalent to \$234,360), of which the overdue rental is A\$223,516 (equivalent to \$161,155) (69%). To date, the Ministry of LINNIX has neither enforced sanctions for noncompliance with the business lease requirements nor collected outstanding rent, although it routinely inspects the properties and reports on progress. Aside from those issues, several others also need attention, e.g.: (i) the GLUP inadequately covers the potentials of the island; (ii) there is no land valuation system and so land leases are uniform in all parts of the island (it may lead to overcrowding in particular areas with better infrastructure facilities); (iii) because LAPLIS and the GIS systems still run separately, implementation of the land management system is not optimal; (iv) there is no hardware and software maintenance; and (v) clear criteria and procedures for land allocation and leases need to be shed.

9. As land is a basic requirement for residential and business development, improving the land management system should receive appropriate attention so that land for legitimate uses can be more efficiently and effectively mobilized. The TA will help achieve the Government's development goals that will enhance and foster improvement in the standard of living of *I-Kiribati* (the people of Kiribati), faster and more equitable socioeconomic growth nationwide, and good governance-based service. Such goals are also reflected in the 2003-2007 Corporate Plan of the Ministry of Commerce, Industry, and Cooperatives (MCIC). The Corporate Plan will support national policy and five key areas of MCIC that focus on (i) development of industrial, cooperative, and other kinds of commercial/business enterprises; (ii) private sector development; (iii) improvement in both internal and external trade; (iv) attracting needed foreign investment into the country; (v) and improvement in the regulation of trade and business practices. The Corporate Plan will also facilitate achieving the projected private sector contribution of over 20% of the country's economy with targeted average growth of more than 2.6% per year. Appropriate land use management, particularly proper spatial planning and zoning, will promote wise allocation of land that will ultimately foster sustainable use of scarce land resources and enhance environmental sustainability.

10. Tourism is presently the largest industry in the world. Kiritimati Island, known worldwide for game fishing and scuba diving, has large conservation areas and still many unexplored

⁹ The Minister, MELAD indicated that Cabinet recently approved 43 of the 203 outstanding cases, and the rest (160) are still being considered or may be reconsidered under the government's resettlement scheme.

resources. Its proximity to Honolulu will make it attractive to tourists if investment in the tourism industry is increased. A multiplier effect from tourism can also provide more job opportunities to the people, particularly when the Government's resettlement scheme is implemented. Overall, these opportunities will facilitate the development of Kiritimati Island as a growth center in the eastern part of the country and will ultimately result in more equitable socioeconomic growth nationwide.

III. THE TECHNICAL ASSISTANCE

A. Purpose and Output

11. The goal of the TA is to achieve sustainable economic growth. The purpose is to assist LMDK to improve the land management system in Kiritimati. The TA will strengthen the institutional capacity of LMDK to implement the Land Planning Ordinance, the State Lands Act, and government policies on land management; and will streamline the existing land management system to meet the projected increasing demand for land for residential and business purposes, so that accelerated economic growth is promoted. The improved land management system may also be applied to other state lands on the Line and Phoenix Islands.

12. Key outputs will be (i) policy recommendations related to land management for state lands; (ii) updated GLUP to match the Government's vision of development of Kiritimati Island; (iii) revised existing draft DLUP and additional DLUPs prepared for priority areas; (iv) streamlined and transparent land application procedure and permit system (including the possible threshold for Cabinet involvement); (v) an acceptable incentive system to collect outstanding rent; (vi) a sustainable system for maintaining and upgrading the technical capabilities of LMDK, including twinning arrangements with suitable partners in the region; (vii) further staff strengthening for LMDK; and (viii) improved land management supported by a well-functioning integrated LAPLIS and GIS system. The TA framework is in Appendix 1.

B. Methodology and Key Activities

13. The TA will build on the achievements of the previous technical assistance provided by AusAID for strengthening LMDK. The TA will further strengthen the capacity of LMDK for land management through the following activities:

- (i) strengthen the implementation of the Land Planning Ordinance, the State Lands Act, and government policies on land management;
- (ii) assist the Government in updating and implementing GLUP, DLUPs, and strategy plans for priority areas;
- (iii) address the present implementation constraints, including the need for a system for proper valuation of land at different sites, review land allocation procedures and permit system and identify ways to streamline the process and increase transparency, examine the costs and revenues of a land management system, and recommend incentives to collect outstanding rent;
- (iv) develop a sustainable system for maintaining and upgrading the technical capabilities of LMDK, and further develop a staff training program; and

- (v) strengthen the land management system by integrating the LAPLIS database and the GIS systems and incorporating procedural requirements of other agencies dealing with land management.

C. Cost and Financing

14. The TA is estimated to cost \$375,000 equivalent, with \$277,000 in foreign exchange and \$98,000 equivalent in local currency (Appendix 2). The Government has requested ADB to finance \$300,000 equivalent, covering the entire foreign exchange cost (\$277,000) and \$23,000 equivalent of the local currency cost. The TA will be financed on a grant basis by ADB's TA funding program. The Government will contribute \$75,000 equivalent by providing counterpart staff, office space, administrative services, and data.

D. Implementation Arrangements

15. The Executing Agency for the TA will be LMDK within MELAD. The Government has assured ADB that suitably qualified counterpart staff will be assigned to the TA, and that it will provide secretarial and administrative support, and adequate office space. KLLPB will act as the steering committee of the TA to provide multisectoral input and guidance during implementation, as its present membership covers representatives of related agencies (footnote 6). The steering committee will meet at least three times to discuss the (i) implementation plan (inception report), (ii) midterm report, and (iii) draft final report. The consultants will submit five copies of all reports to ADB and LMDK, respectively. Additional meetings will be organized as necessary. Other stakeholders will be actively involved by organizing a stakeholder workshop during TA implementation to discuss the TA's main features. Detailed terms of reference for the consultants and the proposed work schedule are in Appendix 3.

16. The TA will be implemented over 9 months, beginning in April 2004 with completion in December 2004. The TA will finance the services of an international consulting firm. International consultants working for 7 person-months will include a land use planning expert (4 person-months, as team leader) who has extensive experience in land use management system, including land tenure systems in the Pacific; an expert in land valuation (2 person-months) who has experience in valuing and classifying land; and a GIS expert (1 person-month) who has experience in computerized land information systems, including MapInfo software. ADB will recruit the consultants in accordance with ADB's *Guidelines on the Use of Consultants*. The consulting firm will be selected through the simple technical proposal and the quality- and cost-based selection method. Equipment will be procured in accordance with ADB's *Guidelines for Procurement*.

IV. THE PRESIDENT'S DECISION

17. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$300,000 on a grant basis to the Government of Kiribati for Supporting Land Use Management on Kiritimati (Christmas) Island, and hereby reports this action to the Board.

TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
Goal Sustainable economic growth	Availability of land for business development and investment is no longer a constraint.	Government statistics on approved business development and investments National economic development indicators	
Purpose Assist the Land Management Division, Kiritimati (LMDK) to improve land management systems and processes for Kiritimati	Business investment increases by more than 5% per year. Customer satisfaction is improved by reducing the number of rejected land allocation proposals to less than 10% of total	Investment statistics from Ministry of Commerce, Industries and Cooperatives and Foreign Investment Committee Line and Phoenix Land Information System (LAPLIS) statistics on approved/rejected business applications Technical assistance (TA) completion report Asian Development Bank review missions	Commitment to policy reform Stable macroeconomic conditions
Outputs 1. Policy recommendations related to land management system for all state lands 2. Updated general land use plan (GLUP) to match Government's vision of development of Kiritimati Island 3. Updated existing draft detailed land use plan (DLUP) and additional DLUPs prepared for new priority areas	Streamlined implementing regulations for the State Land Act and other legislation that facilitate land allocation for residential and business purposes throughout the Line and Phoenix Islands, by December 2004 GLUP oriented to serve development needs of Kiritimati Island by facilitating land availability for residential and business development, by December 2004 Updated draft DLUP that supports government policy on mobilizing lands for business development and accommodates increasing	Government gazette of implementing regulations or ordinances for State Land Act and other laws GLUP and DLUP documents, as approved by the Kiribati Local Land Planning Board (KLLPB) TA inception, progress and final reports ADB review missions Cabinet minutes on Government policy on land management in Kiritimati Island and other state lands Records of LMDK's land management system (LAPLIS) and geographic	Availability and accessibility of required information. Continuing Government commitment to policy reform Continued financial support to outer islands Sufficient capacity in Government to implement reforms Adequate human resources development on a continuing basis

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>4. Streamlined and transparent land allocation application procedure and permit system (including the need for trigger/threshold for Cabinet involvement), and established land valuation system</p> <p>5. An acceptable incentive system to collect outstanding rent</p> <p>6. A sustainable system for maintaining and upgrading the technical capabilities of LMDK, including twinning arrangements with a suitable partner in the region</p> <p>7. Further staff strengthening program for LMDK</p> <p>8. Improved land management system adopted and under implementation by the Kiritimati Local Land Planning Board (KLLPB), supported by well-functioning integrated LAPLIS and MapInfo-based GIS system</p>	<p>need for land for residential purposes, and additional DLUP for new priority areas, by December 2004</p> <p>Streamlined and transparent land management system, particularly related to land allocation application procedure and permit system, implemented by July 2004</p> <p>Collection of outstanding rent improved by 50%, and delays in land lease payment reduced to average of 60 days, by July 2004</p> <p>Sustainable arrangements adopted by LMDK to maintain LAPLIS and suitable partner for twinning arrangements identified, by May 2004.</p> <p>LMDK staff received additional training to strengthen technical capabilities in addressing noncompliance, by December 2004</p> <p>Staff of related agencies trained in implications of the land management system, by December 2004</p> <p>Improved land management system adopted and recorded in minutes of KLLPB meeting by December 2004</p>	<p>information system (GIS).</p> <p>Records of rent collection from Revenue Office</p> <p>Minutes of KLLPB meetings</p>	

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Activities</p> <p>1. Review State Land Act and other relevant legislation and provide inputs to the government for drafting the implementing regulations, and also providing policy recommendations</p> <p>2. Review government vision of development of Kiritimati Island to ensure that the GLUP is still relevant</p> <p>3. Review and update existing draft DLUPs and prepare additional DLUPs and strategy plans for priority areas</p> <p>4. Undertake land valuation to allow proper valuation of land at different sites. Review land allocation procedure and permit system and identify ways to streamline the processes and increase transparency (including examining needs for a trigger for Cabinet involvement).</p> <p>5. Examine the costs and revenues of a land management system and recommend incentive systems to collect outstanding rent</p> <p>6. Develop a sustainable system for maintaining and upgrading LMDK's technical capabilities including twinning arrangements with suitable partners in the region</p>	<p>Government legislation, policy, and development strategy related to land management on all state lands reviewed by May 2004</p> <p>GLUP and draft DLUPs reviewed by May 2004. Updated GLUP and draft DLUPs for priority areas, prepared by July 2004</p> <p>Land management system for Kiritimati evaluated, focusing on land allocation application procedures and permit conditions, and established land valuation system, by July 2004.</p> <p>Costs and revenues of land management systems thoroughly reviewed and examined, leading to incentive and disincentive systems, by July 2004.</p> <p>Review of technical capabilities of LMDK undertaken, a sustainable system to address technical capabilities developed, and assessment of potential partners for twinning arrangements established, by December 2004</p>	<p>TA inception, progress, and final reports</p> <p>ADB review missions</p> <p>Minutes of Steering Committee (KLLPB) meetings.</p>	<p>Cooperation of related agencies and communities</p> <p>Access to all necessary information from the LMDK and related agencies</p> <p>Continuing commitment from the Government.</p> <p>Adequate workforce retention following training.</p> <p>Suitable twinning arrangement identified</p>

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>7. Review the LAPLIS and GIS-based MapInfo, update the system by incorporating other agencies' procedural requirements, and integrating the two systems.</p>	<p>Staff strengthening program developed by December 2004</p> <p>Updated system (including integrated LAPLIS and GIS-based MapInfo) established by December 2004</p>		
<p>Inputs</p> <p>Asian Development Bank (target: \$300,000)</p> <ul style="list-style-type: none"> • International consulting services (target: 3 specialists, 7 person-months) • Survey, office, and computer equipment <p>Government of Kiribati (target: \$75,000 equivalent):</p> <ul style="list-style-type: none"> • Counterpart staff (target: 6 persons) • Office accommodation • Support for workshops and meetings 		<p>TA inception, progress, and final reports</p> <p>ADB review missions</p>	<p>Close monitoring of TA</p> <p>Timely fielding of ADB missions</p>

COST ESTIMATES AND FINANCING PLAN
(\\$)

Item	Foreign Exchange	Local Currency	Total Cost
A. Asian Development Bank Financing^a			
1. Consultants			
a. International Consultants Remuneration and Per Diem	161,000	0	161,000
b. International and Local Travel	30,000	3,000	33,000
c. Reports and Communications	8,000	2,000	10,000
2. Workshop and Conferences	0	5,000	5,000
3. Equipment (survey equipment, digitizer, and GPS units, computer equipment) ^b	35,000	0	35,000
4. Miscellaneous Administration and Support Costs	3,000	2,000	5,000
5. Car Rental	0	7,000	7,000
6. Contingencies	40,000	4,000	44,000
Subtotal (A)	277,000	23,000	300,000
B. Government Financing			
1. Office Accommodation and Transport	0	25,000	25,000
2. Remuneration and Per Diem of Counterpart Staff	0	40,000	40,000
3. Others	0	10,000	10,000
Subtotal (B)	0	75,000	75,000
Total	277,000	98,000	375,000

GPS = Global Positioning System.

^a Financed from ADB's TA funding program.

^b Equipment will be transferred to the Government (Executing Agency) after completion of the TA.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Scope of Work

1. The consultants will ensure that all works and outputs under the technical assistance (TA) comply fully with all relevant Asian Development Bank (ADB) policies and guidelines.
2. The consultants will be responsible for submitting the following reports:
 - (i) The inception report, to be submitted at the end of first month of TA implementation, will cover mobilization of consultants, detailed work plan, preliminary outcome of the work, and future direction of the TA. A tripartite meeting will discuss the inception report.
 - (ii) The interim report, to be submitted at the end of the third month, will cover the work during the first half of the TA period, particularly analysis of the legal aspects, land registration systems, institutional analyses, and land valuation system. The consultants will produce a detailed work program to be implemented by staff of Land Management Division, Kiribati (LMDK) upon completion of the first phase.
 - (iii) The draft final report, to be submitted in the first week of the final month, will decide the overall work achieved by the TA. A tripartite review meeting will discuss the report at the end of that month.
 - (iv) The final report, to be submitted within 3 weeks after the final tripartite review will incorporate comments from the Government and ADB.
1. **Land Use Planning Expert/Team Leader** (international, 4 person-months on intermittent basis)
3. The consultant's work will include, but will not be limited to, the following:
 - (i) Review LMDK business activities and documents, particularly those related to previous assistance for institutional strengthening from the Australian Agency for International Development (AusAID). Based on the review, prepare a detailed TA work program and implementation schedule. Coordinate the work with the other team members, the Government (Executing Agency) counterparts assigned to the TA, the steering committee, and related agencies.
 - (ii) Collect, collate, and review available information on land-related legislation (particularly the Land Planning Ordinance, the State Land Act 2001, Pre-Emptive Act, Native Lands Ordinance); development vision and strategy for the country, particularly for Kiritimati Island; general land use plan (GLUP) and draft detailed land use plans (DLUPs) of Kiritimati Island; and development plans of various sectors. Explore availability and procurement of satellite imageries of suitable scale sufficient for land planning purposes, to be used for updating GLUP and DLUPs. Based on the review, make policy recommendations for management of state lands that will facilitate drafting the implementing regulations of the State Land Act, updating GLUP and draft DLUPs, and preparing additional DLUPs for priority areas to reflect the new State Land Act and Government's development

vision and strategy plans for resettlement residential areas.¹ Review the Government's resettlement scheme and provide inputs related to ADB's policy on involuntary resettlement so that the Government's resettlement scheme will be in line with ADB's policy, particularly in dealing with involuntary resettlement and squatters, if any. Update the computerized Line and Phoenix Land Information System (LAPLIS) database to accommodate new inputs.

- (iii) Review the Government policy and strategy related to state land management for business development on Line and Phoenix Islands, the Government policies for Kiritimati Island (related to Land Planning Ordinance) to limit land lease only to business activities and for only 25 years (renewable for a maximum of another 25 years), and the extent to which the existing land information system (land use plans, registration of lands, building and other permits, and monitoring of leases and payment of freehold land) can serve the growing needs in business development. Based on the review, make policy recommendations or suggestions for improved implementation of the land management system and acceptable ways of enforcing sanctions for noncompliance.
- (iv) Review the land management system focusing on land allocation, application procedure and permit system; identify strengths and weaknesses, including critical issues that delay approval of new business leases and various aspects that hinder development of the island. Recommend ways to strengthen and streamline the processes (clear criteria/conditions for business applications and time limits for each processing step). Examine the need for classifying applications (e.g., based on the size of investment, area, etc.) and suggest the level of final approval and a trigger/threshold for Cabinet involvement in approving business proposals. Examine the need for lease or freehold applications to have more details on the nature of the intended use.
- (v) Thoroughly review the LAPLIS database and other available records on land management system, and examine the costs and revenues of residential and business leases (and residential land sales). Recommend an incentive system to collect outstanding revenues, and formulate an incentive and disincentive system for future collection of rent from both residential and business establishments.
- (vi) Assess the training achievements of the AusAID technical assistance, and review the institutional capacity of LMDK (staff capacity, technical skill, and required skills). Identify reasons why land management system, LAPLIS, and MapInfo-based geographic information system (GIS) do not function properly. Based on the review, refine/update a staff strengthening program for LMDK (training needs assessment) for the short- and medium-term, with indicative budgets. Training staff in areas of LMDK's mandate (including LAPLIS and GIS MapInfo, and operation and maintenance of the systems) in coordination with other members of the consulting team to improve skills and to maintain sustainability of LMDK activities.

¹ The State Land Act indicates the need to prepare a strategic plan for an area identified for development as residential area. The plan will include a report proposing the number of plots that might be transferred in the next strategic planning period, so sufficient land is reserved for future development needs. The strategic plan may include a land use plan prepared under GLUP/DLUP.

- (vii) To better understand land allocation procedures and mandated tasks of LMDK, organize consultations/workshops for concerned government agencies, private sector, community representatives, and nongovernment organizations on the land management systems, DLUPs and strategy plans, and business lease permit systems.
- (viii) Strengthen the link between LMDK and concerned ministries, such as Ministry of Line and Phoenix Islands Development; Ministry of Commerce, Industry, and Cooperatives; and Ministry of Communications, Transport and Tourism Development to increase understanding of the spatial plan, zonation, and land allocation under GLUP for the private sector and business investment to promote economic development of Kiritimati Island.
- (ix) Consolidate findings from the preceding analysis and findings of the other team members, and prepare policy recommendations for selected issues on a land management system for government consideration.
- (x) Assist in specifying and procuring required equipment for LMDK.
- (xi) Take responsibility for preparing the inception report, progress reports, draft final report, and final report in full consultation with other team members, counterpart staff, and ADB.

2. Land Valuation Specialist (international, 2 person-months)

4. The consultant's tasks will include the following:

- (i) Review government legislation on lands and other related documents (Land Planning Ordinance, State Land Act 2001, Pre-Emptive Act, GLUP, draft DLUP, strategy plans, and LAPLIS), and consult with relevant agencies and concerned communities on methods of setting lease and sales values and current land values on Kiritimati Island, including values set by informal markets. Develop a land valuation system incorporating land potential, considering the suitability of the land for residential purposes (different sites may require different valuations that will determine the lease rate), business development (commerce, tourism, ports, and other establishments), and resource potential for conservation and development. Prepare a suggested zonation based on the derived land values, for discussion with the Kiritimati Local Land Planning Board (KLLPB). With reference to State Land Act 2001 and Land Planning Ordinance, and in coordination with the land use planning expert, incorporate any revised land valuation system in GLUP and DLUPs and computerized GIS MapInfo.
- (ii) Design a more appropriate land valuation system on the island that LMDK and KLLPB could use to determine the value of land leases for various uses. Reflect the underlying principles of the valuation system in a manual for future reference and for LMDK personnel to use as guidelines in implementing their tasks.
- (iii) Organize a training workshop to discuss the proposed land valuation system and, as necessary, assist KLLPB in submitting to the Ministry of Environment, Lands and Agriculture Development a case revising the existing valuation system.

