Kiribati: 2022 Commitments
($ million)a

<table>
<thead>
<tr>
<th>Product Type</th>
<th>Sovereign</th>
<th>Nonsovereign</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>24.59</td>
<td>–</td>
<td>24.59</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>2.28</td>
<td>0.26</td>
<td>2.54</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26.86</strong></td>
<td><strong>0.26</strong></td>
<td><strong>27.12</strong></td>
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</tbody>
</table>

= nil, DMC = developing member country, TA = technical assistance.

Notes:
- Commitment is the financing approved by ADB’s Board of Directors or Management for which the legal agreement has been signed by the borrower, recipient, or the investee company and ADB.
- Grants and TA include ADB-administered cofinancing.
- Numbers may not sum precisely because of rounding.
- Financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

ADB’s support to Kiribati focuses on maintaining fiscal sustainability; upgrading infrastructure related to water supply, transport, renewable energy, and health; and enhancing disaster resilience.

Kiribati consists of 33 islands spread over 3.5 million square kilometers of ocean. Its economy has enjoyed sustained growth—with an economic growth of 1.5% in 2021. A further increase of 1.8% in 2022 was supported by social protection spending equivalent to 31.5% of gross domestic product.

The Asian Development Bank (ADB) has been supporting Kiribati in building fiscal stability and upgrading infrastructure since 1974. Its engagement with Kiribati continues to focus on transformative infrastructure investments in sanitation, water supply, transport, renewable energy, and health, and policy reforms through technical assistance programs.

ADB has assisted the government in its immediate coronavirus disease (COVID-19) response measures, particularly on programs for increased social protection and health sector support.

To date, ADB has committed 62 public sector loans, grants, and technical assistance totaling $166.3 million to Kiribati. Cumulative loan and grant disbursements to Kiribati amount to $68.61 million. These were financed by concessional ordinary capital resources, the Asian Development Fund, and other special funds. ADB’s ongoing sovereign portfolio in Kiribati includes 7 grants worth $78.1 million.1

1 Sovereign portfolio consists of loans, grants, equity investment, and sovereign guarantee committed and not financially closed. Regional projects with loans/grants to multiple countries are reported separately.

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ADB provided $22 million in financing from 2012 to 2020 for the South Tarawa Sanitation Improvement Sector Project that helped increase access to sanitation in the city. The bank also provided $13 million for the South Tarawa Water Supply Project in 2020—cofinanced by the Green Climate Fund and the World Bank—to provide greater access to safe water. The total investment of $61.8 million seeks to improve and increase water supplies from ground sources and rainwater harvesting and use solar-powered seawater desalination by reverse osmosis. In 2022, ADB committed additional financing of $20 million for the South Tarawa Water Supply Project, with a Global Environment Facility cofinancing of $4.6 million.

In 2020, ADB committed a $12-million grant for outer-island maritime infrastructure, including hydrographic survey, to improve the safety and resilience of interisland transport connectivity. ADB also provided $8 million for upscaling solar power generation in South Tarawa to reduce fossil fuel dependency.

ADB also committed contingent disaster financing of $8 million for Kiribati in 2020, which will improve resilience to disasters triggered by natural hazards and health emergencies. ADB committed a $1.5-million grant from the Asia Pacific Disaster Response Fund to help Kiribati finance its response to the COVID-19 pandemic.

Operational challenges. Kiribati needs investment in infrastructure and faces many development challenges that far exceed its available resources. Climate change is a slow progressive threat to Kiribati, undermining the country’s national development. Its geographic isolation, internationally and internally, raises the cost of doing business and public service delivery, and has contributed to a large gap in the infrastructure needed for economic and social development. Challenges in governance, business regulation, and access to credit, due to the lack of expertise and technologies, exacerbate the developmental challenges. Kiribati is lagging most of the Pacific Island countries in health challenges, such as high infant mortality rates, and investment needs far exceed its available resources.

**KNOWLEDGE WORK**

ADB brings added value beyond its role in project financing. It supports the Government of Kiribati on public finance and administration, climate change and disasters, state-owned enterprise performance, private sector and financial sector development, and gender equality. ADB’s flagship publications, including the Asian Development Outlook and the Pacific Economic Monitor, provide key analytical work to support decision-making.

ADB participates in joint missions with its development partners in line with the International Monetary Fund’s Article IV consultations, which feature robust discussions with the government on strategic priorities and other critical issues that require coordinated support.

ADB provides capacity development through workshops and seminars to increase access to knowledge and expertise for counterpart officials in Kiribati.
FINANCING PARTNERSHIPS

Financing partnerships enable ADB’s financing partner governments or their agencies, multilateral financing institutions, and private organizations to participate in financing ADB projects. The additional funds provided may be in the form of loans and grants, technical assistance, and nonsovereign cofinancing.

Cumulative cofinancing commitments in Kiribati:

- Sovereign cofinancing: $153.91 million for 8 investment projects and $4.64 million for 7 technical assistance projects since 1995

In 2022, Kiribati received $4.59 million grant cofinancing from the Least Developed Countries Fund for Climate Change under the Global Environment Facility for the South Tarawa Water Supply Project – Additional Financing.

A summary of projects with cofinancing from 1 January 2018 to 31 December 2022 is available at www.adb.org/countries/kiribati/cofinancing.

FUTURE DIRECTIONS

ADB’s Pacific Approach, 2021–2025, serves as the country partnership strategy for Kiribati with objectives that leverage ADB’s Strategy 2030 and the Asian Development Fund 13 to respond to the core challenges and fragile situations in Kiribati. The approach focuses on the three-pronged strategy of preparing for and responding to shocks, delivering sustainable services, and supporting inclusive growth. ADB operations in Kiribati target improvements to Kiribati’s growth prospects and living standards, in line with the broad objectives of Kiribati’s Vision 2016–2036. ADB assistance to Kiribati will focus on long-term investments to improve water supply, outer-island maritime infrastructure, renewable energy, disaster resilience programs, and health infrastructure. ADB will continue to strengthen public sector management capacity for sound economic management and implementation of state-owned enterprise reforms.

<table>
<thead>
<tr>
<th>Kiribati: Projects Cofinanced, 1 January 2018–31 December 2022</th>
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<tbody>
<tr>
<td>Cofinancing</td>
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<tr>
<td>Sovereign</td>
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<td>Grants</td>
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<tr>
<th>Kiribati: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2021–2022</th>
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<tbody>
<tr>
<td>No. of Ongoing Loans* (as of 31 Dec 2022)</td>
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<tr>
<td>Contract Awards&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>Disbursements&lt;sup&gt;b&lt;/sup&gt;</td>
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<tr>
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<tr>
<td>Disbursements&lt;sup&gt;b&lt;/sup&gt;,&lt;sup&gt;d&lt;/sup&gt;</td>
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At Risk Projects (%)* (as of 31 Dec 2022) | – |

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<tr>
<td>Total Number of Validated and Evaluated Projects and Programs</td>
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<tr>
<td>Sovereign Operations</td>
</tr>
<tr>
<td>Nonsovereign Operations</td>
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Note: Totals may not add up because of rounding.

<sup>*</sup> Based on commitments.
<sup>a</sup> Includes closed loans/grants that had contract awards or disbursements during the year.
<sup>b</sup> Excludes policy-based, results-based, financial intermediation/credit, CPRO (COVID-19 Pandemic Response Option), and fully administered cofinanced loans and grants.
<sup>c</sup> Includes only Asian Development Fund and other ADB special funds.
<sup>d</sup> Covers active projects as of 31 December 2022.

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Note: The numbers indicate sovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports circulated by ADB within the 10–year period from 1 July 2012 to 30 June 2022. See evaluations related to Kiribati.

Source: IED success rate database.
ADB AT A GLANCE

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. It has 68 members—of which 49 are from Asia and the Pacific and 19 outside. ADB headquarters is in Manila, Philippines and has 43 offices around the world, with 3,775 staff from 66 members as of 31 December 2022.

ADB maximizes the development impact of its assistance to its members by providing financing and tailored knowledge solutions through policy dialogue and advisory services, among others. It mobilizes financial resources through cofinancing from official, commercial, and export credit sources.

ADB met strong demand for its assistance in 2022. It unlocked greater resources for its members through the private sector and partnerships. ADB provided financing for climate change mitigation and adaptation initiatives, education quality and access, affordable health care, and more sustainable and climate-resilient food systems. In 2022, 97% of ADB operations contributed to gender equality. ADB fostered greater regional collaboration on issues such as health threats and tax cooperation. ADB also responded to demand for tailored knowledge solutions from its members.

ADB operations. In 2022, ADB committed $20.5 billion in loans, grants, equity investments, guarantees, private sector programs, and technical assistance to both the public and private sectors of its borrowing members. ADB bolstered its total support with cofinancing of $11.4 billion.

As of 31 December 2022, ADB’s cumulative commitments in 45 countries stood at $358.4 billion covering 4,189 loans, $12.6 billion in 566 grants, and $5.5 billion in technical assistance grants, including regional technical assistance grants.

In addition to loans, grants, and technical assistance, ADB uses guarantees, equity investments, and private sector programs to help its developing member countries.

Total commitments in nonsovereign loans, equity investments, and guarantees from ADB’s own funds in 2022 amounted to $1.1 billion for 37 transactions in economic and social infrastructure, finance sector, and agribusiness.

In 2022, ADB mobilized $1.7 billion of long-term project cofinancing and $5.3 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and undisbursed commitments of nonsovereign transactions funded by ADB’s own resources stood at $12.8 billion as of 31 December 2022.

FINANCING PARTNERSHIPS

Total sovereign and nonsovereign cofinancing commitments, 2022

- $11.39 billion for 165 projects, of which:
  - $11.2 billion, 75 investment projects,
  - $126.49 million, 87 technical assistance projects,
  - $60 million transaction advisory services mandates for 3 projects.

Cumulative sovereign and nonsovereign cofinancing commitments, 1970–2022

- $151.87 billion for 3,292 projects, of which:
  - $147.81 billion, 1,163 investment projects,
  - $2.92 billion, 2,120 technical assistance projects,
  - $1.13 billion transaction advisory services mandates for 9 projects.

PROCUREMENT

ADB’s Procurement Contracts, 2022

Goods, Works, and Related Services
ADB’s procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations:

- $15.23 billion in 2021
- $16.19 billion in 2022
- $247.06 billion covering 228,149 contracts, cumulative procurement since 1966.

Consulting Services
ADB’s procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations:

- $706.65 million in 2021
- $535.61 million in 2022
- $15.45 billion covering 74,995 contracts, cumulative procurement since 1966.

MORE ABOUT KIRIBATI AND ADB

Shareholding and Voting Power
Number of shares held: 426 (0.004% of total shares)
Votes: 39,540 (0.297% of total membership, 0.457% of total regional membership)
*Overall capital subscription: $5.67 million
*Paid-in capital subscription: $279,000
*United States dollar figures are valued at rate as of 31 December 2022.

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ADB Alternate Governor: Koin Uriam Kiritione
ADB Director: Rachel Thompson (Australia)
ADB Alternate Director: David Cavanough (Australia)
ADB Director’s Advisor: Sophak Chea (Cambodia)

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Useful ADB websites
Asian Development Bank
www.adb.org
Annual Report
www.adb.org/documents/series/adb-annual-reports
Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook
ADB Data Library
data.adb.org

Notes: (i) Figures are estimated by ADB unless otherwise stated. * “$” refers to United States dollars. (ii) Data are updated as of 31 December 2022 unless otherwise indicated.