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Economic Growth and Poverty Alleviation

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Presentation Outline

- Introduction
- Recap
- Issues
- Key Development Focus
- Areas of Future Partnership
- Next Steps

Economic Growth and Poverty Alleviation

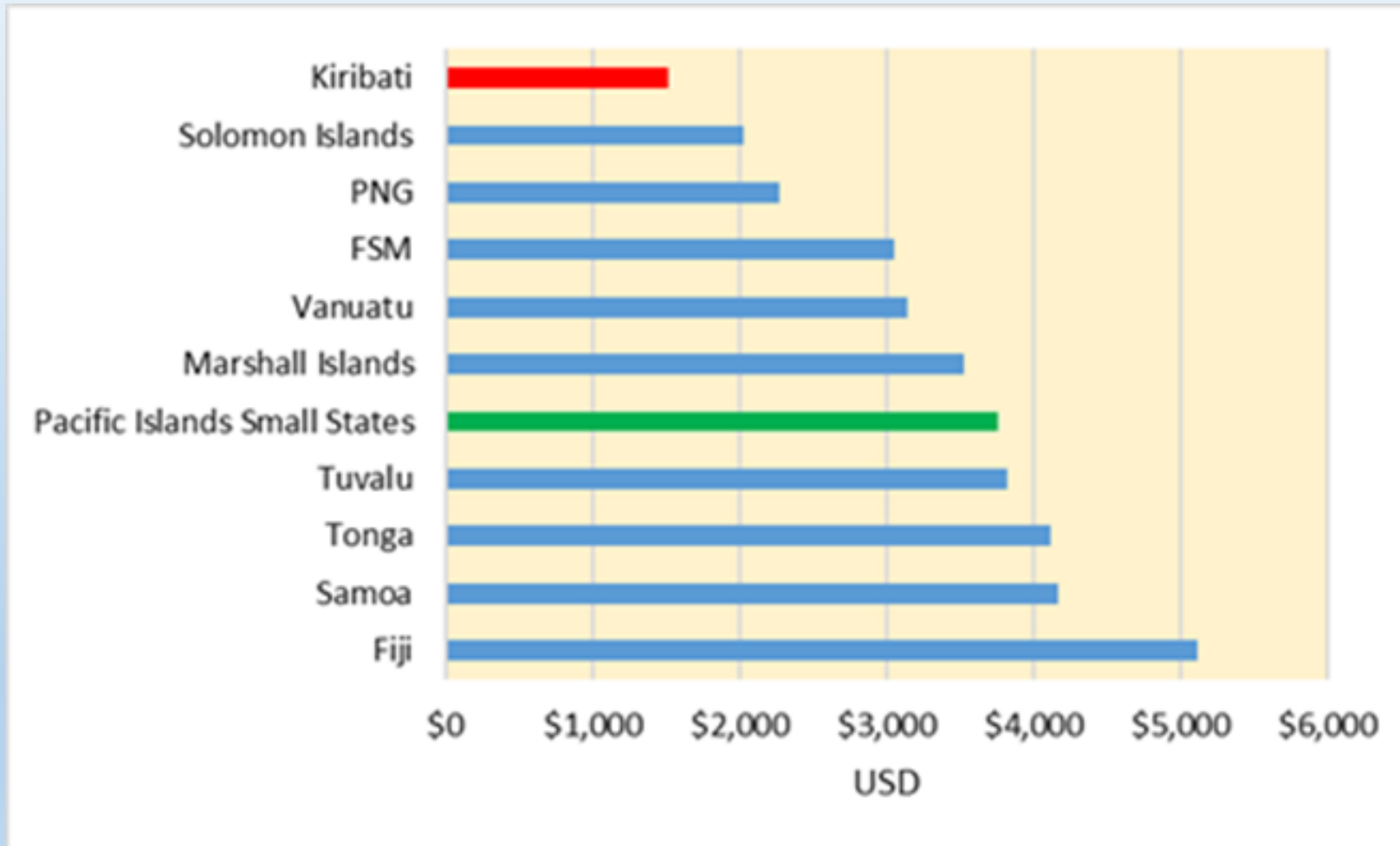
- Important and Relevant to the Government of Kiribati for the people of Kiribati
- Policy Statement:
 - *“...Government is committed to **reducing poverty and income inequalities through increased sustainable and inclusive economic growth**”*

Recap of yesterday

- We look at
 - Progress on our old KDP 2012-2015
 - New KDP 2016-2019
 - Economic Reform we've carried out
- TODAY
 - Areas of future partnership and collaboration
 - Build and continue the success story

Why should we continue the Partnership and collaboration if the last four years was a success?

GDP per capita, Pacific Island Countries, 2014



Source: World Bank

Poverty and Unemployment

- No Household Income and Expenditure Survey (HIES) since 2006. Basic Needs Poverty was 22% nationally while Food Poverty was low at 5%
- New HIES in 2017
- Unemployment at 31% in 2010 Population Census.
- Youth unemployment at 54%.
- Lack of social safety net
- Limited and narrow economic base

Remoteness – Geographically & Economically

- Population highly dispersed– still require basic services
- Isolated from major international shipping and airline routes
- High cost associated with inter islands and international trade
- Economies of scale are not always feasible

Lack of income generating activities

- Fisheries/Marine Resources Sector
- Coconut Sector
- Tourism
- Outer Islands
- Infrastructure

What are the Key Areas of focus?

- Our Ocean
- Our Coconut Industry
- Our People

Areas of Developments

| Areas | Intervention | Outcome |
|-----------------------------------|---|--|
| Fisheries. Marine Resources | Sustainable Development of Fisheries and Marine resources | Income generation, sustainable management of our marine resources, employment opportunities, improved standard of living, others |
| | Monitoring, Control, Surveillance | Income generation, sustainable management of our marine resources |
| | Value Added Activities | Create income generation, create employment opportunity, improved standard of living, others |
| | Policy and Legislation reform | Sustainable management of our marine resources, income generation, improved standard of living, others |

Areas of Developments

| Areas | Intervention | Outcome |
|----------------------------|--------------------------------|---|
| Coconut Sector Development | Policy and Legislation reforms | Strategy formulated to guide a sustainable and inclusive development of the sector to maximize development benefits |
| | Value Added Activities | Increased Economic returns/income to coconut farmers ,economic growth and sustainable development |

Areas of Developments

| Areas | Intervention | Outcome |
|--------------------|--|---|
| Our People (Labor) | Educating, Training, Capacity Building | Marketable opportunity, employment, income generation, economic growth, poverty alleviation |
| | Regional and International Markets | Income generation, economic growth and poverty reduction from increased remittance |

| Private Sector | Reforms | Income generating activities, employment opportunities, Improved standard of living, others |
|----------------|-----------------------------------|---|
| | Policy and Legislation Reforms | Conducive business environment, Employment opportunities, economic growth, poverty alleviation |
| | Capacity Building | Sustainable economic growth, employment opportunities, poverty alleviation |

| Infrastructure <i>Economic /Social</i> | | |
|--|---------------------------------------|--|
| | Outer Islands, MLPID, South Tarawa | Conducive business environment, employment opportunities, income generating activities, improved standard of living, Healthy population, well educated people, law and order, others |

| | | |
|-------------------------------------|--|---|
| Disaster and Risk management | Policies and Legislations, Infrastructures, Capacity Building | Food security, Healthy people, improved standard of living, others |
| Niche Tourism | Policies and Legislations, Capacity Building, Infrastructure (Economic and Social) | employment opportunities, income generating activities, improved standard of living, others |

| Outer Islands | Reforms | Conducive business environment, employment opportunities, income generating activities, improved standard of living, others |
|---------------|-----------------------------|---|
| | Financial Literacy programs | Employment opportunities, improved standard or livings |

| Areas | Intervention | Outcome |
|--|-------------------------------------|--|
| Line & Phoenix Integrated Development Strategy - LPIDS | Policies and Legislations | Conducive business environment, employment opportunities, income generating activities, improved standard of living, Healthy population, well educated people, law and order, others |
| | Infrastructures (Economic & Social) | |
| | Capacity Building | |

Summary

- Raise the social safety net and aid income generation through mechanisms such as the copra price subsidy
- Development of the private sector
- Value adding for our marine resources and exploration of seabed mining
- Sustainability of the fishing industry
- Programs to boost labour mobility

Summary continues

- Improvements to infrastructure
 - particularly for shipping, aviation, water and sanitation and communications.
- Look towards diversification from dominance of fishing
- Transition to cash economy
- Disaster management.
- Niche tourism
- Development of the Line and Phoenix

Thank You All