



Australian Government



## KIRIBATI COVID-19 DEVELOPMENT RESPONSE PLAN

- Australia is working in partnership to support Kiribati's National COVID-19 *Preparedness and Response Plan*.
- Kiribati responded quickly to COVID-19 and has not recorded any cases. The global economic lockdown has significantly impacted the Kiribati economy, which relies on fishing revenues, access to markets and remittances.
- Australia is increasing its support for Kiribati's health systems and economic recovery. Australia works closely with Kiribati across a wide range of issues including education and skills training, food security, infrastructure, security and law enforcement.

Australia and Kiribati are neighbours and long-term development and security partners. Our assistance to Kiribati will strengthen health systems and respond flexibly to the changing context during the COVID-19 pandemic. We will also enhance our assistance to support Kiribati's economic development through new direct budget support, infrastructure support and technical assistance. Ongoing assistance for women's economic empowerment and gender equality will support stability and protect the most vulnerable. We will maintain a strong focus on human development, including disability inclusion. Australia's support is well aligned to Kiribati's *National COVID-19 Preparedness and Response Plan* and its *Kiribati Twenty Year Vision* and will assist to ensure that Kiribati continues to play a key role as a regional partner and active member of the Pacific community.

### COVID-19 SITUATION ANALYSIS

As of September 2020, Kiribati had no confirmed cases of COVID-19. The Government of Kiribati closed its borders and declared a State of Emergency in March 2020. Kiribati faces capacity constraints and responding to economic, social and potential health impacts of the pandemic will be a challenge. Existing vulnerabilities are expected to be exacerbated as a result of COVID-19.

Kiribati has already been working to address a range of health challenges. Non-communicable diseases are prevalent and the burden imposed by communicable diseases, including tuberculous and leprosy, is significant. These risk factors, combined with poor water quality and sanitation, multigenerational living, and high-density housing in South Tarawa, make a COVID-19 outbreak likely to cause higher than average fatalities. Kiribati's distance from markets, combined with its small and widely dispersed population (120,000 people), limited resources, and development and environmental

challenges make it vulnerable to economic shocks. In July 2020, the Asian Development Bank (ADB) forecast that COVID-19 will slow economic growth in Kiribati to 0.6 per cent in 2020 compared with average growth of four per cent for the period 2015-20, primarily due to a downturn in construction, remittances and exports.

According to the World Bank, remittances from I-Kiribati overseas workers have been equivalent to 10 per cent of GDP over the past 15 years. Challenges in cross-border mobilisation have impacted seafarers, seasonal and other workers, and the remittances of those already working outside Kiribati have been impacted by the global economic recession. The redeployment of I-Kiribati workers in Australia has helped to mitigate some of this downturn.

Pre-pandemic fishing royalties represented up to 70 per cent of total government revenue. The ADB has projected a 10 per cent fall in fishing revenues in 2020 compared with 2019. Fishery demand may worsen as a result of COVID-19, and supply chains are expected to be disrupted for some time.

Kiribati's National COVID-19 Preparedness and Response Plan estimates that \$10 million is needed to prepare the country's health system for COVID-19, and a further \$12 million for business and unemployment support during the first 90 days of an outbreak. Further support for business may be required in 2021-22, including for public enterprises, such as Air Kiribati.

The ADB forecasts Kiribati's fiscal deficits will be eight per cent in 2019 and 9.9 per cent in 2020. The Government of Kiribati's cash-reserves (\$355.8 million as of August 2020) will provide a fiscal buffer for Kiribati to absorb these deficits. Despite these reserves, the International Monetary Fund assessed in 2019 that Kiribati was at high risk of debt distress. ADB projections indicate that financial market volatility has impacted

Kiribati's sovereign wealth fund, the Revenue Equalization Reserve Fund (RERF).

Social stability is an overriding objective for Kiribati, which prioritised social protection measures early in its COVID-19 response. Nevertheless, Kiribati continues to experience social dislocation. Kiribati estimates that 1,200 people have lost their jobs, which is significant in the context of a formal workforce of approximately 30,000 people. Hundreds of I-Kiribati are stranded off-shore, with no clear plans for their repatriation.

Gender-based violence is prevalent in Kiribati. Government surveys have found that two in three I-Kiribati women aged 15–49 who have ever been married or partnered report experiencing intimate partner violence. Global trends suggest that COVID-19 will exacerbate this situation.

Kiribati is deeply vulnerable to the impacts of climate change. It is exposed to weather-related hazards such as storm surge, and exacerbated climate variability could result in increased drought and water shortages, potentially compounding the effects of COVID-19. Kiribati is also heavily reliant on imported food and there is a risk that the pandemic will put further pressure on supply chains.

## AUSTRALIA'S RESPONSE

Australia has fast-tracked \$3.6 million in budget support to enable Kiribati to implement its preparedness plans. Australia has also helped deliver COVID-19 testing equipment and other essential medical supplies in a time of strict border controls and limited flights.

### Health Security

Australia will increase support for health security, expanding assistance for epidemic and pandemic preparedness (including COVID-19), by building Kiribati's capacity to assess and report public health events, in line with the International Health Regulations (2005). We will also support Kiribati to build its critical care capacity, including essential medical infrastructure, equipment and training healthcare workers. Australia will work closely with Kiribati to secure early and equitable access to COVID-19 vaccines through multilateral and regional initiatives to finance, assess, deliver and monitor COVID-19 vaccines.

Ongoing support for health system strengthening and the delivery of essential health services (including mental health and infection prevention and control advice) remains critical. Our support for public health ensures water, sanitation and hygiene (WASH) messages reach

the community level, as the first line of defence against COVID-19.

Australia will build on our longstanding support for managing high-burden infectious diseases (including tuberculosis and leprosy) by funding the University of Sydney to undertake work on drug resistant tuberculosis and antimicrobial resistance in the Pacific, focusing on Kiribati. This work has the potential to save lives and to ease the burden on Kiribati's limited health resources.

We will also work with the Government of Kiribati and local organisations to deliver essential sexual and reproductive health services in the context of COVID-19 disruptions. We will help Kiribati ensure that these services are accessible to all, including women and girls with disabilities.

Australia recognises robust quarantine arrangements are crucial to the ongoing movement of people in the region, fostering the conditions for economic recovery in the future. We will work with Kiribati on COVID-19 risk mitigation procedures for incoming passengers.

Kiribati convenes the Health Sector Coordination Committee, which ensures continued engagement with our partners in the Kiribati health sector – New Zealand, the World Health Organization, the Global Fund, Gavi, United Nations agencies and the World Bank.

### Stability

Maintaining a healthy and educated population that is resilient to threats such as climate change is central to Kiribati's stability and prosperity. COVID-19 presents additional challenges.

Supporting Kiribati to provide a quality education to all I-Kiribati girls and boys, including those with a disability, will be a focus of our response. We will redesign our support for basic education to take account of the impact of COVID-19 on the delivery of education services. Kiribati has made significant gains over the past decade in improving standards in basic education, in terms of both access and quality. We will build on this work, with a strengthened focus on improving the literacy and numeracy levels of I-Kiribati children. This support will contribute to Kiribati's social cohesion and provide a long term pathway for labour mobility.

Our redesigned education program will address the need for strong hygiene standards, including by improving WASH facilities in Kiribati schools. We will design these facilities to be climate-change resilient, disability-inclusive and address the specific needs of girls.

Through the Education Partners in Kiribati forum, we will coordinate our support for education with Kiribati and our development partners (including New Zealand, Japan, the World Bank, ADB and United Nations agencies).

Australia funds the Global Partnership for Education, which supports COVID-19 contingency planning for education in Kiribati. The Partnership will support Kiribati to improve its ability to respond to educational disruptions during extreme weather events or disasters.

The impacts of climate change could undermine efforts to build a stable and prosperous Kiribati, particularly when exacerbated by impacts of COVID-19. All our investments will focus on climate resilience. We will continue to play a leadership role in Pacific climate science; climate data informed adaptation and mitigation activities; and will make leading investments in climate change governance in the Pacific.

Australia will help strengthen Kiribati's food and nutrition security, including by partnering with the Pacific Community (SPC) to improve local food production and supply chains. The Australian Centre for International Agricultural Research is examining ways to improve food and nutrition security in Kiribati, including through improving coastal fisheries management and enhancing soil health for village food production systems.

Our COVID-19 support in Kiribati will have a strong focus on the most vulnerable and disadvantaged, including the poor, women and girls and people with a disability. Our program will assist Kiribati to strengthen its social protection system, to better support vulnerable households and communities. We will also consider opportunities to support Kiribati to deliver on its commitment to improve infrastructure and other services to people living on remote outer islands.

Women and children are disproportionately affected by COVID-19. All aspects of our response to COVID-19 will promote gender equality and reduce gendered impacts. Specifically, we will continue to work in partnership with Kiribati to reduce the incidence of gender-based violence and improve response services (policing, health, education, social welfare and judiciary) for survivors of violence.

We will work with Kiribati to implement its disability inclusive policies, including to improve access to, and quality of, disability-specific services despite COVID-19.

Consistent with the *Boe Declaration on Regional Security*, Australia-Kiribati security cooperation initiatives will enhance Kiribati's capacity and stability. We will support Kiribati to monitor fishing activity through the provision

of a Guardian Class Pacific Patrol Boat and aerial surveillance support. Kiribati's existing patrol boat has been used to support humanitarian responses on Kiribati's outer islands and could play a role in Kiribati's COVID-19 response.

We will support Kiribati to effectively mitigate the impact of COVID-19-generated malicious cyber activity and ongoing cyber threats. Through the Pacific Fusion Centre, we will also support the growth of an online repository of COVID-19 analysis, information and tools to over 500 regional security officials, including from Kiribati.

Strong law and justice institutional frameworks are fundamental to Kiribati's stability. The Attorney-General's Department and Australian Federal Police will enhance their programs to help Kiribati address security, law enforcement and legal challenges. This will include direct capability development and operational support to the Kiribati Police, and increased mentoring and engagement through the Pacific Transnational Crime Unit, focusing on the impact of the pandemic on operational work.

### **Economic Recovery**

Australia will continue to support policy making to promote economic recovery, improve livelihoods and deliver inclusive growth. The Kiribati-Development Partner Economic Reform Taskforce is a key mechanism for coordinating technical assistance to support economic reform priorities, and providing budget support linked to successful implementation of reforms. We will sharpen our engagement in the Economic Reform Taskforce (other members include the World Bank, ADB, EU and New Zealand) and increase our annual budget support contribution based on achievement of priority reforms, helping Kiribati respond to the economic challenges of COVID-19.

We will invest in quality shovel-ready infrastructure projects that provide local employment opportunities. We will investigate the feasibility of investing in construction of a new open integrated market in Betio to strengthen supply chains and contribute to economic recovery. The Australian Infrastructure Financing Facility for the Pacific (AIFFP) will consider options to invest in infrastructure in Kiribati that contribute to economic recovery, generation of local employment and stability across the Pacific region.

We will pivot our support for developing a more capable, qualified and mobile I-Kiribati workforce in response to COVID-19. We will work with Kiribati to offer skills development and other services to I-Kiribati workers



who have been made redundant as a result of the pandemic.

We will also support I-Kiribati access labour opportunities during this time of border restrictions. Prior to COVID-19, Kiribati's involvement in our labour mobility programs had been growing steadily, and as of September 2020, over 200 I-Kiribati were employed in Australia under our programs. Australia issued new visas to allow workers already deployed to remain in Australia for up to 12 months and will explore opportunities to allow more I-Kiribati workers to travel to Australia, ensuring appropriate safeguards remain in place.

Australia supports the Pacific Agreement on Closer Economic Relations (PACER) Plus as a means to stimulate economic recovery across the region. We will support Kiribati to take advantage of the agreement once it comes into force, and continue our efforts to enhance Australian-based private sector activity in Kiribati.

Australia will provide COVID-19 supplementary funding of \$304.7 million as part of a COVID-19 Response Package. This package will provide support to the Pacific and Timor-Leste to deliver critical, temporary, economic support to address pandemic impacts; this targeted, temporary (ODA) funding is for two years and is in addition to Australia's \$4 billion ODA program.

## HOW WE WILL WORK

Australian agencies will work together to deliver a coordinated COVID-19 recovery in partnership with Kiribati. Our bilateral aid program is complemented by regional and global initiatives, including humanitarian and volunteer programs. We will use diplomacy, trade, economic, development and security partnerships to ensure our response efforts in Kiribati have the greatest impact. We will also look for opportunities to engage with civil society and private sector partners to enhance development outcomes for I-Kiribati people.

The COVID-19 situation is unfolding rapidly and its eventual impacts in Kiribati are uncertain. We will retain some flexibility within the bilateral aid program to respond to emerging needs.

We will explore further opportunities to provide direct budget support, carefully calibrated with Kiribati's own commitments and needs for resources for COVID-19 recovery. We will help improve procurement and financial management outcomes, enabling our collective resources to be disbursed effectively, efficiently, and

ethically, providing value for money and improving the lives of people in Kiribati. Across all of our investments, we will maintain a zero-tolerance approach to fraudulent and corrupt actions.

Kiribati values the assistance we have provided in financing critical advisory roles within government. Our support for the role of Director of the National Economic Planning Office has helped to improve budget planning and coordinate development partner efforts. Likewise, our support for the Director of Engineering Services role has improved Kiribati's technical capacity. We will continue to finance these roles and will be responsive to requests to mobilise additional technical assistance, when possible, to support Kiribati's COVID-19 response. We will deliver effective advisor support in innovative ways, including making use of technology for remote support.

We have close and productive relationships with the other leading development partners in Kiribati, specifically New Zealand, ADB and the World Bank. We also work collaboratively with other partners including the World Health Organisation, UN agencies, the European Union, Japan and the US. We will continue to look for opportunities to convene and leverage development partners' support for Kiribati's benefit.

Australia is committed to working closely with key regional organisations on a coordinated response across the Pacific. As a major contributor to the Pacific Islands Forum and SPC, we will explore opportunities for greater regionalism in addressing the challenges presented by the COVID-19 pandemic.

We will actively promote Kiribati's access to other regional and global funding and support mechanisms. This type of coordinated policy engagement is important in the dynamic COVID-19 environment, where Kiribati officials often have multiple and simultaneous demands.

We continue to support the Pacific Islands Forum's Pacific Humanitarian Pathway for COVID-19 to foster connectivity. This includes support for movement of essential supplies and people, mitigating severe health and economic impacts.

We will maintain our strong commitment to effective monitoring, evaluation and learning across our portfolio, to promote accountability and inform program improvement in both our COVID-19 response and our longer-term support to Kiribati's development, resilience and stability.

TABLE 1: COVID-19 RESPONSE PLAN PERFORMANCE FRAMEWORK

Program Plan	Health Security	Stability	Economic Recovery
<b>Expected Outcomes</b>	Kiribati has a strengthened health system; improved preparedness for infectious disease outbreaks; and sustains work to manage tuberculosis and other endemic infectious disease threats (SDGs 1, 3 & 10)	<ul style="list-style-type: none"> <li>- Kiribati has improved basic education, including for children with a disability; climate change resilience; food security; and a stronger law and justice institutional framework, including responses to violence against women and girls, to mitigate impacts of COVID-19.</li> </ul> (SDGs 1, 2, 4, 5, 6, 8, 10, 13 & 16)	<ul style="list-style-type: none"> <li>- The Government of Kiribati pursues evidence-informed fiscal and economic measures to mitigate the impacts of COVID-19.</li> <li>- Australia supports Kiribati's economic recovery through providing small scale infrastructure investments, skill development and other livelihood opportunities.</li> <li>- (SDGs 1, 8, 9 &amp; 10)</li> </ul>
<b>Key Results</b>	<ul style="list-style-type: none"> <li>- Evidence that Australia has contributed to a stronger health system in Kiribati, including in relation to workforce development planning and health information improvement.</li> <li>- Evidence that Kiribati has improved responses to health security threats, including robust systems to detect and effectively manage tuberculosis (TB) cases and mitigate the risk of multi-drug resistant TB.</li> </ul>	<ul style="list-style-type: none"> <li>- Improved percentage of Year 6 girls and boys meeting or exceeding the expected level of proficiency in literacy (Target: 45 per cent) and numeracy (Target: 75 per cent).</li> <li>- Year 1-9 teachers complete professional development modules each year (Target: 80 per cent).</li> <li>- Increased number of girls and boys (including those with a disability) who have access to improved learning spaces and WASH facilities each year (Target: 10 per cent).</li> <li>- Examples of improved services for women and girl survivors of violence.</li> </ul> Evidence that Australia has contributed to building Kiribati's capacity for food security.	<ul style="list-style-type: none"> <li>- Evidence Australia has supported Kiribati with policy and technical advice on stimulus measures and longer term economic recovery.</li> <li>- Australian budget support as a percentage of Government of Kiribati supplementary budget expenditure in response to COVID-19.</li> <li>- Infrastructure investments are completed on time and on budget and provide local employment opportunities.</li> <li>- At least 80 per cent of Trainers at the Kiribati Institute of Training (KIT) hold relevant qualifications, or have commenced training to obtain relevant qualifications.</li> <li>- Aggregate participation by females in all KIT courses to be 50 per cent or higher, and 20 per cent in non-traditional courses.</li> <li>- Aggregate participation by people with disabilities in all KIT courses is 3 per cent or higher.</li> </ul>
<b>Supporting Investments</b>	<ul style="list-style-type: none"> <li>- Kiribati-Australia Health Sector Support Program</li> <li>- Transformative Agenda for Women, Adolescents and Youth Partnerships with UNFPA</li> <li>- World Bank PF4</li> <li>- Gavi, the Vaccine Alliance</li> <li>- University of Sydney's Antimicrobial resistance and TB in the Pacific research</li> </ul>	<ul style="list-style-type: none"> <li>- Improved Basic Education Program</li> <li>- Australia Awards</li> <li>- Pacific Women Shaping Pacific Development</li> <li>- Kiribati Disability Program</li> <li>- Australia Pacific Climate Partnership</li> <li>- Kiribati Food Futures Pilot Project</li> <li>- Australian Centre for International Agricultural Research</li> <li>- Pacific Maritime Security Program</li> </ul>	<ul style="list-style-type: none"> <li>- Growth and Economic Management</li> <li>- Kiribati Infrastructure</li> <li>- Kiribati Facility</li> <li>- Essential Services and Humanitarian Corridor</li> </ul>