



EIF-T1P2-KIR-001

**AGREEMENT BETWEEN**  
**THE UNITED NATIONS OFFICE FOR PROJECT SERVICES**  
**AND THE**  
**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**FOR THE**  
**KIRIBATI TRADE CAPACITY DEVELOPMENT AND INSTITUTIONAL STRENGTHENING PROJECT**  
**TIER 1 PHASE 2**  
**FUNDED UNDER EIF PHASE 2**

This Agreement is between the United Nations Office for Project Services (hereinafter referred to as “UNOPS”) and the United Nations Development Programme (hereinafter referred to as “UNDP”) for the **Kiribati Trade Capacity Development and Institutional Strengthening Project - Tier 1 Phase 2** (hereinafter referred to as the “Project”). This Project will be funded by the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries (hereinafter referred to as “EIF”) through its Trust Fund (hereinafter referred to as “EIF TF”).

The EIF is a joint initiative of the World Bank (WB), International Monetary Fund (IMF), World Trade Organization (WTO), United Nations Conference on Trade and Development (UNCTAD), International Trade Centre (ITC) and United Nations Development Programme (UNDP) –the Core EIF Agencies-, the Least Developed Countries (LDCs) and all donors to the EIF Trust Fund, which is aimed at mainstreaming trade into the LDCs’ National Development Plans and Poverty Reduction Strategy Papers (PRSPs) and assisting in the coordinated delivery of trade-related technical assistance in response to needs identified by LDCs, building upon the principles of country ownership, accountability and partnership stated in the Paris Declaration on Aid Effectiveness. UNOPS is the Trust Fund Manager of the EIF Trust Fund (hereinafter referred to as “EIF TFM”).

Following the approval by the EIF Board on 29 July 2020 of the Project, the EIF TFM will provide the sum of Six Hundred Thousand United States dollars (US\$ 600,000) (hereinafter the “Funds”) to UNDP to finance the Project, UNDP award number 0012834, UNDP project number 00122369 - Kiribati-Trade capacity development and Institutional Strengthening Project - Tier 1 Phase 2, as annexed to this agreement, which forms part of UNDP Fiji CO work programme. The Project will be governed in all respects by the present Agreement (hereinafter “Agreement”) and the Joint Partnership Letter (JPL) signed by UNOPS and UNDP on 12 July 2010, which shall both form an integral part of this Agreement.

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1. The EIF TFM shall, as per the annexed project document and in accordance with the schedule of payments set out below, disburse to UNDP the amount of US\$600,000. The Funds shall be deposited as below:

Schedule of payments	Amount
- Upon signature of this Agreement	USD200,000
- Second instalment upon submission of the relevant fund flow forecast, draft e-commerce policy and summary of launch of Investment Policy Framework	USD200,000
- Third instalment upon submission of the relevant funds flow forecast, draft Mauri Mark Standards and draft summary of progress on envisioned bankable projects being developed	USD200,000

#### UNDP BANK DETAILS AND ACCOUNT NUMBER:

UNDP Contributions Account, *Account #36349562*

Citibank, N.Q

111 Wall Street, New York, NY 10043, USA

ABA/ACH Routing Number: 021000089

SWIFT: CITIUS33

The above schedule of payments takes into account the requirement that the payments shall be made in advance of the execution/implementation of planned activities. It may be amended to be consistent with the progress of Project delivery upon written consultation with the EIF TFM.

2. If the payments referred to above are not received in accordance with the payment schedule, the assistance to be provided to the Project under this Agreement may be reduced, suspended or terminated by UNDP. However, before taking any such actions, UNDP will allow for a one-month period following the scheduled disbursement schedule and shall consult with the EIF TFM.

3. The EIF TFM will inform UNDP when the contribution is paid via an e-mail message with remittance information to [contributions@undp.org](mailto:contributions@undp.org).

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4. UNDP shall set up a cash-controlled fund code in Atlas to receive and utilize the Funds.
5. UNDP shall acknowledge receipt of each transfer of funds by sending a letter of acknowledgement to the EIF TFM, together with a confirmation of the amount received, within thirty (30) working days from the deposit of such funds in its dedicated account.
6. All financial accounts and statements shall be expressed in United States dollars.
7. UNDP shall receive and administer the Funds in accordance with its regulations, rules, policies and procedures.
8. The Funds shall contribute to the implementation of output(s) and/or activities(s) as described in the Project document as approved by the EIF Board, in the Annex attached hereto.
9. It is expected that the Project will be completed within a duration of two (2) years upon signature of this Agreement, as stated in the Project document.
10. In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Funds shall be subject to cost recovery for *indirect costs incurred by UNDP headquarters and country office structures* in providing General Management Support (GMS) services. To cover these GMS costs, the contribution shall be charged a fee equal to 8% (eight percent). Furthermore, as long as they are unequivocally linked to the specific Project(s), all direct costs of implementation, including the costs of the executing entity or implementing partner, will be identified in the Project budget against a relevant budget line and borne by the Project accordingly, as per the EIF Board-approved budget.
11. The aggregate of the amounts budgeted for the Project, including the estimated costs of related support services, shall not exceed the total resources available to the Project under this Agreement as well as funds which may be available to the Project for Project costs and for support costs under other sources of financing. If there is a need to exceed the budgeted amount, UNDP shall submit a supplementary budget request to the EIF Board, with a copy to the EIF TFM. Simple budget revisions which do not require an increase in the budget, and which do not reallocate more than 20% (twenty percent) between budgetary components can be approved by UNDP after consultation with the national counterpart. A copy of the approved budget revision must be provided to the EIF TFM within one (1) month.

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12. In the event of any changes in the Project, UNDP and the EIF TFM, in consultation with the EIF Executive Secretariat and upon approval by the EIF Board as needed, may agree to changes to the scope, content, timing and changes to the amount of the Funds in writing. Decisions on any such changes shall be documented by a revision of the Annex to this Agreement, duly signed and dated by the representatives of the EIF TFM and UNDP.

13. The offices responsible for coordination of all matters related to carrying out this Agreement are:

For UNDP (the UNDP Country Office Contact):

Name: Levan Bouadze  
Title: UNDP Resident Representative  
Address: UNDP Pacific Office in Fiji, Level 7 & 8 Kadavu House, 414 Victoria Parade, Suva, FIJI  
Phone: +679 331 2500  
Email: [levan.bouadze@undp.org](mailto:levan.bouadze@undp.org)

For UNDP (the UNDP Geneva Trade and Human Development Unit (GTHDU) Contact):

Luisa Bernal  
Policy Specialist, Trade and Sustainable Development  
UNDP  
11-13 chemin des Anémones  
1219 Châtelaine, Geneva, Switzerland  
Tel: +41-22-917-82 02  
Fax: +41-22-917-80-01  
E-mail address: [luisa.bernal@undp.org](mailto:luisa.bernal@undp.org)

For the EIF TFM, UNOPS (UNOPS Contact):

Chakib BELHASSAN  
Executive Officer, EIF TFM  
UNOPS  
11-13 chemin des Anémones  
1219 Châtelaine, Geneva, Switzerland  
Tel: +41-22-917-8402  
Fax: +41-22-917-8062  
E-mail address: [chakibb@unops.org](mailto:chakibb@unops.org)

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14. UNDP shall be responsible for the implementation of the Project and shall deliver, through the Geneva Trade and Human Development Unit (GTHDU), to the EIF TFM consolidated narrative and financial reports in accordance with its standard reporting policies and procedures, as specified below and as agreed upon in the UNDP UNOPS JPL.

(a) From the country office (or relevant unit at headquarters in the case of regional and global projects), submitted to the GTHDU for circulation to the EIF TFM, a semi-annual status report of Project progress for the duration of the Agreement as of 30 June for the period 1 January to 30 June, and 31 December for the period 1 July to 31 December, as well as the latest available approved budget, due within two (2) months of the end of the reporting period.

(b) From UNDP Bureau of Management/Office of Finance and Administration, submitted to the GTHDU for circulation to the EIF TFM, (i) an annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year, as well as (ii) a semi-annual uncertified financial statement as of 30 June to be submitted by 31 December of every year to be provided by the Bureau for Development Policy.

(c) From the country office (or relevant unit at headquarters in the case of regional and global projects), submitted to the GTHDU for circulation to the EIF TFM, within four (4) months after the date of completion or termination of the Agreement, a final report summarizing Project activities and impact of activities as well as provisional financial data.

(d) From UNDP Bureau of Management/Office of Finance and Administration, submitted to the GTHDU for circulation to the EIF TFM, on completion of the Project, a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the project.

15. The Project will be monitored and evaluated in accordance with the UNDP Monitoring and Evaluation Policy which is compatible with the EIF Monitoring and Evaluation Framework, and EIF M&E models will be used whenever possible within the UNDP framework. UNDP and the Government of Tanzania in consultation with other stakeholders will jointly agree on the purpose, use, timing, financing mechanisms and terms of reference for evaluating a project including an evaluation of its contribution to an outcome which is listed in the Evaluation Plan. UNDP shall commission the evaluation, and the evaluation exercise shall be carried out by external independent evaluators. The EIF Board and/or Executive Secretariat may also appoint an independent evaluation team as part of its own evaluation framework at the programmatic level and will work with UNDP to obtain any relevant information, if needed.

16. Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Unless otherwise specified in the project document, ownership of equipment shall be

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transferred to the local authorities of the Government or the final recipient of the project, in accordance with the relevant policies and procedures of UNDP. Any intellectual property and other propriety rights accrued throughout the course of the implementation of the Agreement shall be the property of UNDP, with a perpetual, royalty-free, non-exclusive and non-transferable license for the EIF, as hosted by the World Trade Organization, and the Beneficiary government.

17. The Funds shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules, policies and procedures of UNDP. Should the biennial Audit Report of the Board of Auditors of UNDP to its governing body contain observations relevant to the contributions, such information shall be made available to the EIF TFM.

18. UNDP shall acknowledge the EIF's Funds in any reference made by UNDP with respect to the Funds in publications, speeches, press releases or other similar materials, in accordance with its visibility policies and provided that such actions do not jeopardize the United Nations privileges and immunities provided under the 1946 Convention on the Privileges and Immunities of the United Nations and the safety and security of United Nations staff.

19. UNDP shall be responsible for the adequacy and quality of the implementation of the Project, and payment will not be withheld due to any assessment by the EIF TFM on the adequacy or quality of the implementation Project before consultations have been undertaken between the EIF TFM and UNDP. However, the EIF TFM reserves the right to discontinue future disbursements if reporting obligations are not met as set forth in the present Agreement, or if there are substantial deviations from agreed workplans and budgets that have not been approved by the EIF Board. Before taking any such actions, the TFM will allow for a period of six weeks following the reporting schedule and shall consult with UNDP.

20. UNDP shall notify the EIF TFM when all activities relating to the project have been completed. Notwithstanding the completion of the project, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in the implementation of the project have been satisfied and project activities brought to an orderly conclusion. If the unutilized payments prove insufficient to meet such commitments and liabilities, UNDP shall notify the EIF TFM and consult with the EIF TFM on the manner in which such commitments and liabilities may be satisfied. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be returned to the EIF Trust Fund or, following consultations and in agreement with the EIF TFM, disposed of accordingly by UNDP.

21. After consultations have taken place between the EIF TFM, UNDP and the programme country Government, and provided that the payments already received are, together with other

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funds available to the project, sufficient to meet all commitments and liabilities incurred in the implementation of the project, this Agreement may be terminated by UNDP or by the TFM. The Agreement shall cease to be in force 30 (thirty) days after either of the Parties have given notice in writing to the other Party of its decision to terminate the Agreement. Notwithstanding termination of all or part of this Agreement, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in the execution/implementation of all or the part of the project, for which this Agreement has been terminated, have been satisfied and project activities brought to an orderly conclusion. This should be no later than 18 (eighteen) months after the completion of the Project. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be disposed of by UNDP in consultation with the EIF TFM.

22. Nothing in or related to this Agreement is intended to be or should be construed as a waiver of the privileges and immunities of UNDP or its officers and employees, or UNOPS, the EIF TFM, or its officers and employees.

23. The EIF TFM and UNDP shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of or relating to this Agreement.

24. This Agreement may be amended only by written agreement between UNDP and the EIF TFM.

25. The Parties, UNDP and UNOPS, on behalf of the EIF TFM, by signing and dating two (2) copies of this Agreement, confirm their agreement with the foregoing. The Agreement will become effective upon its signature by both Parties.

For the **UNITED NATIONS DEVELOPMENT PROGRAMME**

Name: Levan Bouadze

Title: UNDP Resident Representative

Date: 30-Sep-2020

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For the **UNITED NATIONS OFFICE FOR PROJECT SERVICES**

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Name: William AXELSSON

Title: Deputy Director – UNOPS Geneva Office

Date: \_\_\_\_\_

**ANNEX I:** Project Proposal [as approved by the EIF Board]

**ANNEX II:** EIF Board Approval Letter

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**AGREEMENT BETWEEN THE UNITED NATIONS OFFICE FOR PROJECT SERVICES AND THE UNITED NATIONS DEVELOPMENT PROGRAMME FOR THE KIRIBATI TRADE CAPACITY DEVELOPMENT AND INSTITUTIONAL STRENGTHENING PROJECT TIER 1 PHASE 2 FUNDED UNDER EIF PHASE 2**

**Annex I :Project Proposal [as approved by the EIF Board]**

**34 (including cover page)**

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**ENHANCED INTEGRATED  
FRAMEWORK**

**TIER 1 PHASE 2 PROJECT PROPOSAL  
THE GOVERNMENT OF KIRIBATI**

**SECTION I: Summary Page**

<b>I.1 Project title</b>	Kiribati trade capacity development and institutional strengthening project	
<b>I.2 Category of project</b>	Tier 1 Phase 2	
<b>I.3 Grant recipient entity</b>	Main Implementing Entity (MIE) UNDP Pacific Office/International Organization	
<b>I.4 Implementing entity</b>	National Implementing Entity (NIE) Government of Kiribati, Ministry of Commerce, Industry and Cooperatives (MCIC)	
<b>I.5 Project duration</b>	24 months (2 years) from (JULY 2020)	
<b>I.6 Total project costs</b>	Year 1:	US\$414,745
	Year 2:	US\$185,255
	<b>Total:</b>	<b>US\$600,000</b>
<b>I.7 EIF funding sought</b>	Year 1:	US\$414,745
	Year 2:	US\$185,255
	<b>Total:</b>	<b>US\$600,000</b>
<b>I.8 Other sources of funding: Government of Kiribati In-kind</b>	Office space, internet, cleaning, security service	5% of total value which is estimated to be approximately US\$34,900
	<b>Total:</b>	<b>US\$34,900</b>
<b>I.9 Objective of the project</b>	The objective is to strengthen the capacity of institutions and stakeholders to implement trade policies that support poverty reduction, inclusive economic growth, equitable sustainable development and wealthy economy in line with the government's 20-Year vision development plan (KV20) 2016-2036. The project will support the operations and activities of the Ministry of Commerce, Industry and Cooperatives, which is the lead agency responsible for coordinating the formulation and implementation of trade-related policies in Kiribati. The project will also help in mainstreaming trade into national development strategies and to improve donor coordination and promote Aid for Trade delivery.	

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**I.10 Results statement**

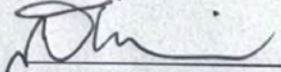
The initiative will contribute to achieving the following key results:


- ❖ Improved evidence-based policy inputs supporting pro-poor trade;
- ❖ Strengthened institutional coordination of trade and development;
- ❖ Enhanced human capacity for trade and development;
- ❖ Support to boost productive capacities and access international markets;
- ❖ Support to EIF countries to leverage (directly and indirectly) additional funding.

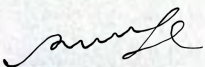
**I.11 Brief description of the project**

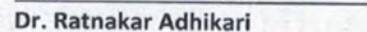
The Phase 2 of the EIF tier 1 project supports Kiribati to benefit from trade by developing national capacities to implement and assess trade-related strategies that are aligned with the Kiribati Development Plan and the 20-Year vision Development plan (KV20). This phase is a continuation of Phase 1 of the project, building on the achievements realized to date, aiming at strengthening the capacity of institutions and stakeholders to implement trade policies that support poverty reduction, inclusive economic growth and equitable sustainable development. In doing so, the project will address institutional capacity constraints by encompassing sustainable development and gender perspectives. The project will help Kiribati to develop its inclusive trade development agenda in order to spread the benefits of trade to all I-Kiribati as envisaged in its Trade Policy Framework 2017-2027 and KV20. The project is expected to enhance linkages between trade, human development and poverty reduction. The project will adopt a whole of government approach to mainstreaming trade and aid coordination. It will support the inclusive participation of stakeholders in trade Policy implementation. The project will be implemented by the Project Management Unit at the Ministry of Commerce, Industry and Cooperatives in collaboration with UNDP as the Main Implementing Entity.

**I.12 Approved by:**

  
 Mr. Toani Takirua  
 EIF National Focal Point  
 Secretary, Ministry of Commerce,  
 Industry and Cooperatives

  
 Mr. Benjamin Tokataake  
 Secretary, Ministry of Finance  
 and Economic Development

  
 Mr. Levan Bouadze  
 Resident Representative  
 UNDP

  
 Dr. Ratnakar Adhikari  
 Executive Director, EIF  
 Secretariat on behalf of the EIF Board

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**List of Acronyms**

ASYCUDA	Automated System for Customs Data
AFT	Aid for Trade
AWP	Annual Work Plan
A\$	Australian Dollar
BPC	Business Promotion Centre
DTIS	Diagnostic Trade Integration Study
EDF	European Development Fund
EEZ	Exclusive Economic Zone
EIF	Enhanced Integrated Framework
EIF FP	Enhanced Integrated Framework Focal Point
EPA	Economic Partnership Agreement
EU	European Union
GDP	Gross Domestic Product
GNI	Gross National Income
ITA	International Trade Adviser (EIF)
LDC	Least Developed Country
KCCI	Kiribati Chamber of Commerce and Industry
KDP	Kiribati Development Plan
MELAD	Ministry of Environment, Lands and Agricultural Development
MCIC	Ministry of Commerce, Industry and Cooperatives
MFAI	Ministry of Foreign Affairs and Immigration
MFED	Ministry of Finance and Economic Planning Development
MIE	Main Implementing Entity
MLHRD	Ministry of Labour and Human Resource Development
MOP	Ministry Operation Plans
NEPO	National Economic Planning Office
NGO	Non-Government Organisation
NIE	National Implementing Entity
NIM	National Implementation Modality (UNDP)
NIU	National Implementing Unit
NPSO	National Private Sector Organisation
NSC	National Steering Committee
OECD	Organization for Economic Cooperation and Development
PACER	Pacific Agreement on Closer Economic Relation
PICTA	Pacific Island Countries Trade Agreement
PSDS	Private Sector Development Strategy
RERF	Revenue Equalization Reserve Fund
SPS	Sanitary and Phytosanitary
TIS	Trade in Services Protocol (PICTA)
TPF	Trade Policy Framework
UN	United Nations
UNDAF	UN Development Assistance Framework

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UNDP	United Nation Development Programme
USD	United States Dollar
WTO	World Trade Organization

## SECTION II: Situation Analysis

### II.1 IMPLEMENTATION OF THE AID FOR TRADE AND TRADE DEVELOPMENT AGENDA

#### *Country Background*

1. Kiribati with a population of 110,136 (2015 Census) is one of the smallest, most remote and geographically dispersed countries in the world. It is comprised of 32 coral atolls and 1 raised atoll spreading across 3.5 million km<sup>2</sup> of ocean. More than 90% of the population is concentrated in the Gilbert Islands group, with over 50% of those living in South Tarawa which is the capital island.
2. The total land area is only 811 square km. About 1,480 km east of the Gilbert Islands lies the Phoenix Islands, a group of eight largely uninhabited low-lying atolls and reef islands. Further east are the Line Islands including Kiritimati Island, which is about 3,330 km from Tarawa. Kiritimati is the world's largest atoll of size 388 square km, accounting for almost half of Kiribati's land area but only about 5 per cent of the population.
3. The Kiribati Government directly accounts for as much as 50 percent of GDP and some 80 percent of formal sector jobs. Beyond subsistence agriculture and fisheries, the private sector remains small, mostly consisting of key industries in the fisheries and coconut sectors including small firms in the wholesale, retail and transport sectors. The most significant opportunities for private sector development exist in the fisheries sector, with potential opportunities also in tourism. Open unemployment is estimated to exceed 30 percent and youth unemployment is around 50 percent.
4. Economic growth has generally been low and volatile, with real per capita GDP falling between 2007 and 2010. The dramatic increase in fisheries licence revenues from 2011 through to 2015 noticeably improved growth outcomes, with real per capita GDP improving by around 13% over the period. After 10.3% growth in 2015 real GDP growth declined to 1.1% in 2016, due in large part to the completion of major capital works and a decline in fishing revenue from the record highs in 2015. Real GDP growth in 2016 was driven by agriculture and fishing, wholesale and retail trade, and construction, although this improvement was somewhat offset by government spending to support the copra price scheme.
5. The Government acts as the main distribution mechanism for the national fisheries revenue and, together with development partner programmes. For example, fisheries revenue in 2011 was \$29.1

million, but by 2015 this had risen to \$197.7 million. The fishing revenue dropped to \$147.1 million in 2016. The Government fiscal position is determined by the main revenue sources, is a key determinant of total economic activity.

6. The significant increase in total revenue over the medium term has meant that the Government can more actively engage in development activities that can target growth. In particular, this has enabled the Government to invest in major capital works and transfer programmes such as the copra subsidy, which have supported the construction industry, wholesale and retail trade.
7. Despite a large increase in public expenditures to support growth (total Government funded expenditure was \$174.4 million in 2016, up from \$100.2 million in 2011), the conservative bias in estimating volatile fishing revenues has meant a continued budget surplus (the surplus was \$33.7 million in 2016). Significant fiscal surpluses since 2014 have enabled the Government to accumulate fiscal buffers and repair the Kiribati sovereign wealth fund: the Revenue Equalisation Reserve Fund (RERF), which reached \$1 billion in August 2018.
8. As a small island economy that is exposed to both financial and climate risks, these buffers are a crucial component of managing economic and fiscal shocks. The current cash reserves and a conservative bias in fishing revenue estimates will replace the RERF in the revenue equalisation role and support overall macro-stability.

### **National Development Strategy**

9. The government adopted a 20-Year Vision Development plan (KV20) 2016-2036 to ensure long term macro-economic stability. The KV20 is a long-term development blueprint covering the period 2016 to 2036. The KV20 vision is for Kiribati to become a wealthy, healthy and peaceful nation. The KV20 seeks to achieve development aspirations by maximising the development benefits from fisheries and tourism as key productive sectors. The development of these sectors are expected to stimulate the development of other sectors through backward and forward sectoral linkages.
10. The development blue print is anchored on four pillars: Wealth, Peace and Security Infrastructure and Governance. In addition to the core pillars, the vision also highlights gender, youth, vulnerable groups, equity and partnership as cross cutting principles. The KV20 seeks to mainstream equity in all the sector programmes and projects in order to create an inclusive development environment that will open opportunities to all members of Kiribati society leaving no one behind.
11. The Wealth pillar of KV20 aims to develop the natural capital, human capital and cultural capital to improve economic growth and reduce poverty, addressing SDG 1 (End Poverty in all its forms) and SDG 8 (Decent Work and Economic Growth). Development of the natural capital will include implementing measures to sustainably maximise revenue from the fisheries and marine resources (SDG 8 & 14), improving contribution of the tourism sector to GDP (SDG 8), implementing strategies

to support the development of inclusive trade and private sector (SDG 8) and to improve land use and planning to create additional land for commercial development (SDG 11 and 15).

12. The human capital component of the Wealth pillar is directly related to SDG 4 (Quality Education) to ensure inclusive and equitable education and life-long learning opportunities for all. This part of the KV20 seeks to create a highly educated and skilled population; increase access to decent employment; develop a highly skilled, qualified and efficient work force; and create an accessible and affordable healthcare system (SDG 3). The KV20 also recognises the importance of cultural capital and traditional knowledge in supporting community identity and the tourism industry, which will contribute to the achievement of the SDG 4, 8, 11 and 12, and be consistent with the Regional Culture Strategy 2010-2020.
13. The Peace and Security pillar aims at creating a secure, safe and peaceful Kiribati by strengthening the national security frameworks, strengthening the relevant institutions and strategic partnerships. This pillar encompasses SDG 16 (Peace, Justice and Strong Institutions), but also aims to ensure adequate protection of Kiribati's national fishery (SDG14). The KV20 recognizes the significant cross cutting role of infrastructure in providing basic services to the community and creating an enabling environment for the development of the fisheries (industry/market/trade) and tourism.
14. The Infrastructure pillar which is relevant to SDG 6 (Clean water and sanitation), SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation and Infrastructure), and SDG 11 (Sustainable Cities and Communities), aims at improving connectivity and accessibility in relation to economic and social infrastructure. It seeks to improve the air, land and sea transport infrastructure, ICT, utilities and social infrastructure (which includes education, health and community infrastructure). The Governance pillar aims to create a corrupt-free society (SDG 16) by: strengthening local traditional knowledge; reviewing legislative frameworks; strengthening the integrity and independence of institutions mandated to promote good governance and eliminate corruption; strengthen strategic partnerships; and institutionalize anti-corruption and good governance principles in the public service and education systems of Kiribati. Explicitly, the 20-year vision development blueprint (KV20) seeks to foster inclusive trade and private sector development through fisheries and tourism as the key productive sectors among other existing sectors. The KV20 aims to increase value of exports, the volume of domestic trade and inflow of Foreign Direct Investment. It also seeks to increase the contribution of private sector to GDP.
15. The Kiribati Development Plan (KDP) is the medium-term implementation plan of the KV20. The current KDP 2016-2019 is now up for review, providing an opportunity to reorganize and align the new KDP 2020-2023 with the priority programmes to the KV20 outcomes, strategies and targets. The review will also provide an opportunity to mainstream trade related priorities in the new KDP.
16. The KV20 and KDP 2016-2019 place a high premium on a stable macroeconomic environment as a key platform for addressing poverty issues through job creation, employment and income

generation. Achieving macroeconomic stability will, however, require the implementation of policy measures to accelerate macro-economic stability for long term sustainable development and continue the improved performance.

17. The KV20 has targeted the largest economic driver of the country – fisheries – and biggest potential growth industry of tourism. The KV20 also places a high priority on infrastructure and social sectors (health and education), as well as trade and private sector development.

### **Trade Performance development agenda**

18. Like most small island states, Kiribati runs a large goods deficit with the rest of the world, driven largely by the need to import a large portion of its food and almost all of its retail and capital goods from overseas. Exports have traditionally been mainly coconut products and fish.
19. While there has been growing trends in trade deficit, the establishment of the Kiribati Fish Limited (KFL) in 2012 has gradually contributed to increase the overall export performance. The exports increased from \$13,299,000 in 2015 to \$19,884,000 in 2017. Coconut products (copra and crude natural oil) are the most significant exports accounting for 64% of all exports in 2017. Throughout the period 2010-2017 crude coconut oil has performed well although showing signs of slight decline from around 2014, the same time when copra picks up and becomes the dominant export. Frozen fish also recorded good performance progressively starting from 2014 due to the establishment of KFL.
20. Kiribati's trade has been marked by huge trade deficits due to limited supply capacity and product diversification strategies. Limited export diversification strategies has contributed to small export basket as a result of inadequate variety products. Limited diversification strategies is attributed to low investment in higher value-added products in the past.
21. In order to support the development of the private sector, the government launched the first ever Trade Policy Framework (TPF) in August 2018 to guide its private sector and trade development agenda. The TPF complements the KV20 visions, which seeks to develop an inclusive trade and private sector. The TPF seeks to facilitate the transformation of Kiribati into a competitive economy and strengthen its participation in both domestic and international trade with the ultimate objective of creating wealth and prosperity. It specifically seeks to enhance inclusive trade by creating trade opportunities for all, including the I-Kiribati living on the outer Islands, the youth, women and other marginalised groups with the objective of ensuring equitable distribution of wealth and prosperity.
22. The development and adoption of Kiribati's TPF by the government has been a crucial step in setting national trade priorities and mainstreaming trade into the national policy. The TPF is now an integral part of all the decisions and policies of MCIC and also serves as a benchmark for donor funding. The TPF includes an implementation matrix of priority actions that is the result of wide-ranging



consultations with national actors and development partners. Lead agencies will be tasked to work towards implementation of the TPF implementation matrix and report periodically on progress to the National Steering Committee (NSC) to ensure that bottlenecks affecting approvals and funding from the government or donor are addressed and resolved quickly.

23. The government has developed a Coconut Sector Development Strategy (CSDS) to support product and export diversification. The strategy seeks to develop value-added niche products. The product diversification through value addition is envisaged to foster income generation and improve livelihoods for the people on the outer islands.
24. Government prioritised the need to establish an Open Integrated Market (OIM) to support the marketing of local produce from the outer islands. Establishing the OIM is a priority in the TPF. The market seeks to provide an opportunity to economically empower women and youth on the outer islands and to link producers with the markets including value chain linkages with tourism.
25. The government adopted a comprehensive National Quality Policy (NQP) 2017-2023. The NQP establishes a framework and a roadmap for quality improvement and management across all sectors. The goal of the policy is to realise an effective national Quality Infrastructure System (QIS) capable of raising the quality of products and services, thus boosting the country's export-led growth while providing for better well-being among the people of Kiribati.
26. While the government policy is to establish and strengthen a national QIS for more reliable trading of goods and services, especially for priority sectors like fisheries and tourism, inadequate testing capacity at national level to support the implementation of the Food Safety Standards and regulations and to provide conformity assessment and procedures to facilitate exports for key products and to ensure that SPS compliance remains one of the major bottle necks in strengthening the national quality infrastructure. There is also limited competence in the area of Metrology.
27. In response, the government has undertaken a feasibility study and developed an investment plan to inform the establishment of a Centralized Laboratory to support testing products against international standards for moisture, chemical and microbial contaminants and implementation of Food Safety Standards and regulations as a measure to facilitate trade. In addition, a capacity needs assessment to assist in strengthening the Metrology functions of MCIC has also been undertaken and translated into a Metrology Capacity Development Plan.
28. In the context of broadening and deepening the export markets for Kiribati-made goods and services, Kiribati signed the PACER Plus trade agreement in June 2017 and ratified the agreement in November 2019. The PACER Plus trade agreement contains a development and cooperation chapter which commits Australia and New Zealand to provide resources towards building the capacity of member states to take advantage of expanded market access opportunities, address supply-side constraints and build their capacity to trade, attract investment and fulfil their commitments. Kiribati announced its readiness to trade under PICTA in 2018 to facilitate preferential market access to non-PACER Plus signatories. Kiribati is able to access the EU Market through the Everything But

Arms (EBA) initiative given its LDC status. Kiribati is also working towards accession to interim Economic Partnership Agreement (i-EPA) to safeguard its preferential market access to the EU in the event of the LDC graduation.

- 29.** While the KV20 and Kiribati's participation in regional trade agreements seek to increase the level of exports, utilisation of current markets is constrained by limited supply capacity, non-tariff measures related to meeting SPS measures and limited competence to meet the Rules of Origin in the respective export destinations. There is also insufficient infrastructure to enable larger scale of operations in the key sectors of fisheries and coconuts.
- 30.** The government through the TPF is currently working towards the establishment of a transshipment hub. The transshipment hub will require developing the capacity of the jetty to establish and develop variety of facilities including bonded warehouse, net-mending yard and salt facility. The hub will be able to resupply, service and repair fishing and other vessels in the sub-region, including purse seiners, long-liners, small fishing vessels, ferries, inter-island transportation and pleasure vessels such as cruise ships and yachts.
- 31.** Although the government seeks to increase the level of Foreign Direct Investment (FDI), attracting FDI has been extremely challenging for Kiribati. Over the last few years, only 5 to 6 applications have been received annually. The total number of foreign investments applications received between 2012 and 2016 was 29. The low-level of foreign investment is attributed to poor regulatory and institutional framework and inadequate economic and social infrastructure to stimulate domestic and foreign investment. In response, the government adopted a National Investment Policy Framework (IPF) in 2019. The policy seeks to support broader objectives of the KV20, creates investor confidence, coherence with international best practices including alignment with investment-related provisions in regional trade agreements like PACER Plus and PICTA that Kiribati is a party to. The government also enacted a new Foreign Investment Act in 2018 to streamline investment application and administration regime.
- 32.** While E-Commerce is significant in eliminating barriers between market places, Kiribati does not have a policy and a legislative framework to facilitate effective development and utilisation of E-Commerce. Other challenges in respect of the E-Commerce regime include low percentage of internet penetration especially on the outer Islands and the lack of a comprehensive framework for consumer protection on electronic transactions. The Investment Policy Framework (IPF), the ICT Policy 2019 and UNCTAD E-Trade readiness assessment has recommended the need to promote the use of E-Commerce by the business community, educate consumers on the utilisation of E-Commerce, build the capacity of policy makers on Trade and E-Commerce, develop and effectively implement E-Commerce Policy and legislative framework.
- 33.** While the private sector has experienced some recent growth, the majority of the businesses are mainly based on the urban islands of Tarawa and Kiritimati. The total number of registered

businesses in South Tarawa and Kiritimati are 2,642 and 232 respectively, in contrast to the Other Outer Islands which has less than 100 registered businesses. Kiribati is still ranked position 158 out of 190 in the World Bank's Doing Business report. The government has developed a new Company Bill 2019; Insolvency Bill 2019 and Business Names Bill 2019. These bills once enacted are expected to strengthen the business registration process and improve ease of doing business in Kiribati.

34. The government developed the first ever Trade and Investment Portal, to provide a 'one-stop shop' platform and source of information relating to trade and investment in Kiribati for local businesses, foreign investors and the general public at the fingertips. The Kiribati National Trade and Investment Portal will provide a conducive and enabling environment for doing business in Kiribati.
35. The government recognises the need to establish and strengthen the Intellectual Property regime that creates economic value by protecting and rewarding owners of IP rights in Kiribati. Strengthening the national IP regime is expected to support the development of the KV20, which seeks to attract investment and supports cross border trade in cultural capital related products. To strengthen the IP regime, the government adopted the National Intellectual Property Strategy (NIPS) in February 2017. The vision of the strategy is to achieve a modern well-balanced intellectual property system which enhances sustainable and inclusive social and economic development and supports the country's traditions and culture.
36. Specifically, the NIPS seeks to ensure that the existing legacy IP legislation is replaced and new legislations reflect the national policy objectives of Kiribati. In response to the implementation of the Strategy, Kiribati acceded to Berne Convention for the protection of Literacy and Artistic Works and to Marrakesh Treaty; to facilitate access to cultural materials especially for the visually impaired; a new Copyright Act enacted in 2018 and new Trade Mark Act 2019 was also enacted in 2019. The adoption of these new IP-related legislations implies the need to strengthen the enforcement capacity of MCIC in the IP and build awareness among the stakeholders to enhance compliance.
37. In order to facilitate the implementation of trade-related policies, there is a need to strengthen donor coordination and upscale resource mobilisation efforts through technical support towards Aid for Trade project design. This will assist in securing donor funding available under the Aid for Trade to facilitate the implementation of the policy goals outlined in the TPF. There is also a need to strengthen collaboration and partnerships with international organisations and development partners to maximise the benefits of Aid for Trade opportunities and mainstream Aid for Trade in the bilateral donor partnership arrangements and in the development partners' forums and dialogues.

### **Trade Mainstreaming**

38. A series of initiatives have been implemented to support trade mainstreaming into sectoral strategies, Kiribati Development Plan and KV20. Training and sensitisation was provided to

stakeholders drawn from the private sector, civil society, Government including parliamentarians, women and the youth on various trade policy issues.

39. The key trade priorities were mainstreamed into Kiribati Development plan 2016-2019 to ensure wider political trade support and national ownership. The key priorities mainstreamed in the strategy include the formulation and implementation of a Trade Policy Framework and Investment Policy Framework, as well as Coconut Sector Development Strategy (CSDS) as a key export product for Kiribati. Another key commitment was a priority to undertake business law reform as the key ingredient to private sector development. Trade-related priorities have also been mainstreamed into the KV20 where the need to develop inclusive trade and private sector is an integral component of the 20-year vision development plan.
40. In the context of ensuring inclusive consultative mechanism in trade policy making, the National Trade Advisory Committee (NTAC) was constituted through a Cabinet Memorandum in 2015 and is composed of key government ministries, civil society and representatives from the private sector. The NTAC provides an important platform for the discussion of trade and development priorities, contributing to policy coherence and national policy ownership. Different technical committees e.g. Trade Facilitation Sub Committee, Quality Coordination Sub-Committee and IPR Sub-Committee were established to assist in the implementation of specific sectoral components of the Trade Policy Framework (TPF).
41. Government continues to mainstream trade into the Bilateral donor partnership arrangements and in the Development Partners' forums and dialogues including the National Development Partners Forum held on 26-27<sup>th</sup> June 2018 where Trade and Private sector development was part of the key agenda issues and periodic Aid for Trade bilateral meetings with key Development Partners like IFC/World Bank, ADB, Australia and New Zealand including the discussions with Government of New Zealand, Australia and World Bank on Centralised Laboratory.
42. While different initiatives have been implemented to support trade mainstreaming at the national level, Kiribati is in the process of developing a new Development Plan, 2020-2023 and the respective sector plans. Government will continue to mainstream trade into the next KDP 2020-2023 to ensure trade forms integral part of the high level donor discussions and implement capacity building and awareness on key trade policy related issues. There is also a need to upscale sensitisation on emerging trade policy issues like Trade and E-Commerce, Trade and Quality, Producer-Market linkages, Trade and Market access, Trade and KV20 linkages among others.

## II.2 EIF PROCESS IN-COUNTRY AND PROGRESS ACHIEVED

43. The EIF Tier 1 Phase 1 has supported the implementation of key trade policy initiatives. These include formulation of Trade Policy Framework, Investment Policy Framework, Foreign Investment

Act 2018 and Metrology Bill 2019, development of National Cultural Policy, development and implementation of Capacity Development Plan, feasibility study on i-EPA accession, Trade Mainstreaming initiatives including stakeholder awareness and Capacity building on Trade Policy issues, Metrology Capacity Needs assessment and design of Metrology Capacity Development Plan, participation in trade-related meetings and E-Trade readiness assessment.

- 44.** The priorities identified in these Trade, Investment Policies and the Needs Assessment /feasibility study reports require Aid for Trade to support their implementation. The Tier 1 Phase 2 together with other potential Aid for Trade are expected to assist in addressing the identified gaps and trade-related priorities.

### **II.3 SUPPORT TO THE AID-FOR-TRADE AGENDA BY GOVERNMENT AND DONORS**

- 45.** Official Development Assistance (ODA) from Japan was directed towards building physical infrastructure. Japan supported marine and fisheries infrastructure and the expansion of the road network. The latter has helped people set up their own mini markets along the roads where they sell local vegetables and handicrafts.
- 46.** Australia Aid provided assistance to the Tax, Customs, Infrastructure development, Education Sector including Kiribati Institute of Technology. New Zealand provided support to the education sector, including the marine training school and support to Fisheries including providing technical assistance to the Fisheries Competent Authority. Both Australia and New Zealand have jointly provided assistance towards Pacific Agreement on Closer Economic Relations Plus negotiations and to facilitate ratification of the PACER Plus trade agreement. PACER plus development assistance supported the review of Customs Act to align it with the Revised Kyoto Convention, development of Sanitary and Phyto Sanitary (SPS) Guidelines; drafting of new Immigration Bill in line with PACER Plus obligations and development of Kiribati National Trade and Investment Portal. In addition, the Government of Australia and New Zealand through PACER Plus development assistance has committed to modernise Customs procedures through the establishment of ASYCUDA.
- 47.** The ACP-EU TBT programme provided technical assistance towards the development of National Quality Policy and training on TBT/SPS issues. Standard Trade Development Facility (STDF) provided technical assistance towards designing a project on establishing a Centralised Laboratory in line with the recommendations in the National Quality Policy. The implementation of the Investment Plan requires Aid for Trade support.
- 48.** Asian Development Bank (ADB) provided technical assistance towards review and drafting of Company Bill, Insolvency Bill and Business Names Act. World Intellectual Property Organisation (WIPO) provided technical assistance towards developing National Intellectual Property Strategy (NIPS), drafting of Copyright Act 2018 and Trademark Act 2019.

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49. Australia, World Bank, and EU provide support through environment preservation and climate change projects, which have implications on trade and domestic production. UNDP, through financing from the Global Environment Fund (GEF), has improved information flow and knowledge management in disaster risk reduction and climate change at national and community levels.
50. Renewable energy, water and sanitation are the main areas of focus of the European Development Fund (EDF). World Bank provided support towards Airport Upgrading for both Kiritimati and South Tarawa.
51. Government also received support from India, Brazil and South Africa (IBSA) Facility towards the development of the Coconut Sector Development Strategy (CSDS) and strengthening the development of coconut value added products through UNDP. The project supported training, and mentorship programmes targeting SMEs in the coconut sector.
52. The Economic Reform is delivered through National Economic Reforms Taskforce (ERT). The ERT is made up of Government of Kiribati representatives and the development partners who are engaged with Budget Support operations. The key members include the World Bank, the Asian Development Bank, New Zealand and Australia. There is also Development Coordination Committee (DCC) whose membership is drawn from the Secretaries from different ministries to ensure coherence on development projects under consideration and implementation. The DCC is critical in ensuring that there is no duplication of projects and proposed projects are in line with the broader development aspirations embedded in the KV20.

#### **II.4 STATUS OF NATIONAL IMPLEMENTING ARRANGEMENT (NIA)**

53. MCIC, through its Project Management Unit, oversee EIF project implementation in Kiribati. The National Steering Committee (NSC) functions are executed by the National Trade Advisory Committee (NTAC). The Secretary of MCIC is the EIF Focal Point and the Chairman of the NTAC.
54. The NTAC consists of the public sector, the private sector and the civil society. The NTAC is a permanent stakeholder consultative forum that will go beyond the Tier 1 project's lifecycle. In addition, there are sub-committees (IPR, Trade Facilitation, Quality Coordination Committee) constituted to deal with technical tasks related to implementation of specific key policy measures. NTAC meetings are held monthly. However, the EIF Agenda items are discussed in quarterly meetings.
55. The NTAC comprises of the Kiribati Chamber of Commerce and Industry (KCCI), the Kiribati Women Association (AMAK), Ministry of Commerce Industry and Cooperatives (MCIC), Ministry of Finance and Economic Development (MFED), Ministry of Fisheries and Marine Resource Development (MFMRD), Ministry of Foreign Affairs and Immigration (MFAI), Ministry of Employment and Human

Resource Development (MEHRD), Ministry of Environment, Lands and Agricultural Development (MELAD), Ministry of Information, Communication, Transport and Tourism Development (MICTTD) and Ministry of Justice (MOJ - Customs).

56. Overall trade policy responsibility falls under the mandate of MCIC with other government agencies, including MFED, playing important roles. It also coordinates mainstreaming of trade into key development strategies like Kiribati Development and Sector plans. Structural capacity gaps in MCIC, however, persist in relation to the fulfilment of its mandate as trade lead agency in terms of implementation and monitoring.
57. The EIF support to MCIC offers a unique opportunity to reinforce the coordination and participation mechanisms currently operating in Kiribati. MCIC is expected to champion the implementation of trade issues, involving other Ministries to address key problems, ensuring that trade policy is coordinated and mainstreamed into the new KDP, once the current KDP lapses in 2019.

### SECTION III: STRATEGY AND PROJECT DESCRIPTION

#### III.1 STRATEGY – OVERALL OBJECTIVE AND PURPOSE

58. The overall objective of the project is to develop the capacities in Kiribati to formulate and implement trade related strategies, mainstream trade in national development planning process and coordinate the delivery of Aft.
59. The Phase 2 of the project motivated by the new 20-Year Vision Development Plan 2016-2036 (KV20) adopted to create a healthy, wealthy and peaceful nation. The KV20 specifically seeks to develop inclusive trade and private sector. The KV20 specifically seeks to increase the value of exports, contribution of the private sector to GPD, increase in level of Foreign Direct investment (FDI), increase in volume of domestic trade as envisaged in the Government's 20-year Vision Development plan (KV20).
60. In order to achieve the KV20 targets, the government has developed the Trade Policy Framework 2017-2027, Metrology Capacity Development Plan, National Intellectual Property Strategy, National Quality Policy and Investment Policy Framework. The policies have identified key gaps and priorities that should be implemented in order to support the realization of the KV20.
61. While trade has been mainstreamed into the 20-Year Vision Development Plan 2016-2036 (KV20), the government is in the process of developing a new Development Plan 2020-2023 and sector plans 2020-2023 given the potential expiry of the current development plan in December 2019. In order to foster high level ownership of trade policy related issues in the medium term planning strategy, there is a need to ensure trade is well mainstreamed into the next Development Plan 2020-2023 and the sector plans. There is a need to build capacity and awareness on emerging trade policy issues

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like Trade and E-Commerce, Trade and Quality, Producer-Market linkages, Trade and Market access; Trade and KV20 linkages among others.

- 62.** Much of the Agro-based and fisheries industry activity is currently focused on low-input and output subsistence agriculture instead of production and processing, which is at an undeveloped stage. Among the significant reasons for this are: (i) storage facilities and advisory services, processing technologies/know-how; (ii) difficulties faced by producers in accessing markets due to the poor inter-island connectivity, and (iii) the lack of producer associations in value-added products.
- 63.** In responding to the bedeviling challenges and priorities, the project seeks to progress the implementation of interventions that will strengthen the utilisation of preferential market access in various trade agreements; increase supply capacity to improve both volume of domestic trade and value of exports; promote value addition; product development and diversification; establish quality standards and implement quality management system; strengthen the national capacity of metrology functions; promote the Intellectual Property Development; promote E-commerce development and support the implementation of trade mainstreaming initiatives.
- 64.** One of the main capacity constraints within the Trade Promotion Division and MCIC is the lack of technical expertise to support the preparation and technical review of Tier 2/AfT proposals. In the absence of technical assistance, the remaining three staff members in the division cannot fulfil all the scheduled tasks in the work plan and the activities associated with implementation of the Trade Policy.
- 65.** The Tier 1 Phase 2 project will need additional technical assistance, preferably by the UNDP (MIE) to assist the Senior Trade Officer who is also the EIF's NIU Coordinator with the implementation of the Trade Policy. At the same time, technical assistance will be crucial for proposal preparation, review and implementation of Tier 2/AfT projects and supporting the restructuring/expansion of the MCIC towards project sustainability at the conclusion of Phase 2 of EIF assistance.
- 66.** Under the supervision of the EIF Focal Point, the guidance of the National Trade Advisory Committee (NTAC) and in close collaboration with the EIF Project Coordinator, the MIE will support the effective implementation of the MCIC Strategic Plan, the DTIS Update matrix, Trade Policy and other related activities required by the EIF Strategic Plan (2019-2022) and enhance the participation of national stakeholders in EIF's activities, including other ministerial divisions, the private sector, civil society and development partners.
- 67.** The Mid-term review of EIF Tier 1 Phase 1 has recommended the need for Phase 2 Project to focus on implementing the major outputs of Phase 1 – particularly TPF, Foreign Investment Act 2018, Foreign Investment Regulations 2019, etc. The Phase 2 Project should continue to work on the activities not completed in Phase 1. In addition, the Phase 2 Project could seek novel and innovative



financing to demonstrate best practice projects such as fishery industry development project and tourism development project. There is a clear need for a Phase 2 Project – with a focus on finalizing and fully implementing the major outputs delivered by the Project (Phase 1 Project).

### III.2 PROJECT RESULTS

68. The Kiribati EIF Tier 1 Phase 2 project will contribute to achieving the following results/outcomes:

- ❖ Outcome 1: Kiribati's own a Trade agenda conducive to sustainable pro-poor growth
- ❖ Outcome 2: Increased Presence in International Markets

#### **Outcome 1: Kiribati own a Trade agenda conducive to sustainable pro-poor growth**

69. Creating an enabling environment requires effective formulation and implementation of policies to support inclusive trade and private sector development in line with the Kiribati 20-Year Vision development plan.

70. The project will support the formulation of E-Commerce Policy, National Cooperative Policy, and review of Cooperative Ordinance/Legislation and Consumer Protection Act in line with the National Trade Policy Framework.

71. While MCIC is working towards integrating the PMU positions as part of the MCIC organisation structure, there is a need to provide resources to support the existing Project Management Unit. In this context, the project will provide funding to cater for Project Manager and Accountant.

72. The MIE will be engaged to provide technical support towards the implementation of the key activities like drafting Terms of Reference for technical outputs to facilitate recruitment of short term advisors. The MIE will also assist the NIU (MCIC) in drafting Aid-for-Trade proposals to leverage funding /investment from other development partners.

73. In order for MCIC to effectively deal with the emerging complex trade policies issues, the project will support training in the area of Cooperative Policy formulation and implementation, Verification of Fuel Dispensers and Consumer Protection.

74. Capacity building and awareness of new Trade Policy related laws will also be enhanced in the area of Intellectual Property, Foreign Investment Act, Metrology Act, Company Act, Food Safety Standards and Regulations and E-Commerce to enhance compliance.

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**75. Expected Outputs: The activities described above will generate the following outputs:**

Output 1.1: Improved evidence-based policy inputs supporting pro-poor trade

Output 1.2: Strengthened institutional coordination of trade and development

Output 1.3: Enhanced Human Capacity for Trade and development

**Outcome 2: Increased Presence in International Markets**

**76.** In order to increase supply capacity to boost the volume of domestic trade and value of exports, the project will implement strategies to address supply side constraints. Specifically, the project will support the procurement of processing equipment to facilitate value addition for coconut related products, develop Processing Centres for SMEs in selected outer Islands, procurement of Working standards for verification of Fuel Dispensers, review and develop new Mauri Mark Standards for tourism.

**77.** The processing centre targeting the production of value-added coconut products in one of the outer islands will be established in order to support the development of inclusive trade and private sector development in line with the government 20-year vision development plan and the Trade Policy framework which seeks to spread the benefits of trade to all. The construction and equipping of the processing centre will target producer cooperatives trained in the production of value-added coconut products like Virgin Coconut Oil, Coconut Sap Sugar and Coconut Soap. The Processing centre will be constructed and equipped with production tools and equipment to assist the producers especially women on the outer islands to take advantage of the skills gained in the production of the value-added products given that one of the challenges faced by the SMEs and local producers is lack of production equipment to facilitate the utilization of the skills gained and available raw materials on the outer islands. The centre will generate employment, income and improve livelihood for the I-Kiribati on the outer islands. It will support the development of domestic trade and tourism through value- chain linkages. It is expected that the centre will have wider spill over effects to those engaged in the production and distribution value chain. It will also assist in disseminating knowledge on coconut value addition processing and marketing to those on the outer islands and those in the islands. The centre will be owned by a cooperative engaged in the production of coconut value-added production. Such ownership will ensure that the centre outputs directly delivers direct impact on the livelihood of the expected beneficiaries.

**78.** In order to effectively implement priorities in the TPF, there is a need to mobilise Aid-for-Trade resources through sound technical Aid for Trade proposals. The project will provide technical support in drafting Aid for Trade funding proposals in the area of Trade and E-Commerce based on the recommendations in the UNCTAD E-Trade readiness assessment report for Kiribati; Coconut Sector and Value chain development in line with Coconut Sector Development Strategy (CSDS) and

Tourism and Value Chain Development. The project will also support participation in the EIF Trade-related meetings.

**79. Expected Outputs:** The activities described above will generate the following outputs:

- 2.1. Support to boost productive capacities and access international markets
- 2.2: Support to EIF countries to leverage (directly and indirectly) additional funding

### **III.3 KEY ACTIVITIES AND OUTPUTS**

**Outcome 1:** Kiribati owns a Trade agenda conducive to sustainable pro-poor growth

**Key Activities:**

- ❖ Develop E-Commerce Policy;
- ❖ Develop National Cooperative Policy;
- ❖ Review Cooperative Ordinance and draft new Cooperative legislation;
- ❖ Review and draft new Consumer Protection Bill
- ❖ Publication and launch of Investment Policy Framework;
- ❖ Training on verification of fuel dispensers;
- ❖ Procurement of working standards for verification of Fuel Dispensers
- ❖ Conduct Trainer of Trainers training on Cooperative Development;
- ❖ Training on Consumer Protection and enforcement;
- ❖ Sensitisation of stakeholders on Trade Policy related laws (Intellectual Property, Foreign Investment Act, Metrology Act, Company Act, Food Safety Standards and Regulations, E-Commerce to enhance compliance;
- ❖ Recruitment of National Experts on CSDS Advisor and Project Proposal writing on Value Addition;
- ❖ Staffing of the Project Management Unit.

**Expected Outputs:**

- Improved evidence-based policy inputs supporting pro-poor trade
- Strengthened institutional coordination of trade and development
- Enhanced Human Capacity for Trade and development

## Outcome 2: increased Presence in International Markets

### Key Activities

- Construction of Processing Centre and procurement of equipment to facilitate value addition in selected outer Island(s);
- Review and develop new Mauri Mark Standards for tourism;
- Implementation of Value addition agricultural project
- Designing Aid for Trade Project on E-Trade and E-Commerce
- Designing Aid for Trade Project on Coconut sector and Value Chain Development
- Designing Aid for Trade Project on Tourism and Value Chain Development
- Support to Regional EIF Trade-related meetings

### Expected Outputs:

- Support to boost productive capacities and access international markets
- Support to EIF countries to leverage (directly and indirectly) additional funding

## III.4. LOGICAL FRAMEWORK, WORKPLAN & BUDGET

- ❖ The Logical Framework (III.5), Work Plan (III.6) and Budget (III.7) are found in the excel file attached to this document

### III.8 Government contributions

**80.** The Government of Kiribati, which has been fully committed to the success of the Tier 1 Phase 1 project, has a limited capacity to contribute with financial resources to the Tier 1 Phase 2 project budget. However, in kind contributions will include the provision of office space and of staff time of public servants that will directly support the implementation of the project. The Government has estimated in-kind provisions covering salary, rent and miscellaneous office costs totalling US\$34,900 over the two-year period.

### III.9 Sustainability of the results

**81.** The emerging Priorities in the trade-related Policies developed under the EIF project will be mainstreamed into MCIC and other line Ministries Annual Work plans to ensure ownership and continuous implementation of the outputs even after the end of the project funding.

82. The Project Implementation Unit will be absorbed as part of the permanent MCIC organisation structure. This will ensure that the PMU staffs are able to support MCIC in mobilisation of AfT resources and effective implementation of Aid for trade projects.
83. The technical staffs within the government line Ministries will be fully engaged in EIF-related activities. This will allow the staffs to have a detailed understanding of the key project outputs for effective ownership and implementation of the project recommendations and outputs even after the project funding.
84. Strategic Partnerships have been established with key regional programmes and development partners on Aid for Trade that will ensure continuity towards the implementation of trade-related priorities even after the project funding. The Policies and strategies developed as part of the project outputs are expected to inform future Resource Mobilisation Strategies, Strategic engagement with development partners and Coordination Aid for Trade.
85. The government will take advantage of other Aid-for-trade funding opportunities associated with regional trade agreements like through development economic cooperation chapters of PACER Plus.
86. The implementation of the Tier 1 Phase 2 project will assist in progressing the gains of the EIF Tier 1 Phase 1 project through realizing and fully implementing the major outputs produced by the Project (Phase 1 Project) thus ensuring the sustainability of the benefits of the EIF Tier 1 Phase 1 project as recommended in the Tier 1 Phase 1 Mid-term Review (MTR) Evaluation Report.
87. A Sustainability Strategy will be developed within the first 6 months of project implementation to ensure a comprehensive approach to project sustainability even after the end of the project funding. The sustainability strategy to be developed will incorporate lessons learnt from Tier 1 Phase 1 project and the SMART targets. The PMU and MCIC will work closely to ensure effective implementation of the strategy developed.
88. Stronger monitoring and evaluation mechanisms will be established to ensure that trade has been fully integrated into national development plans and has been included into sector strategies and action plans with appropriate budget allocations. This will foster budget support prioritization towards trade-related activities and will sustain the project's results beyond its duration.
89. In addition to awareness raising and advocacy with the private sector and civil society, capacity for policy dialogue and project implementation will be strengthened in KCCI. This will ensure continuity in private sector participation in the trade development agenda beyond the lifetime of the EIF initiative.
90. Progress on sustainability, including MCIC capacity and staffing levels, and measures taken towards achieving by the Government of Kiribati will be monitored by UNDP through the semi-annual and annual reporting processes.

### **III.10 Exit Plan**

91. The participation and training of a wide range of stakeholders is designed to ensure a smooth transition at the end of the EIF funding. However, the current capacity of the Government to fully implement the trade agenda

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is still very low. It is not anticipated that the considerable capacity gaps in all areas - government, private sector and civil society at large - can be fully addressed over the project's two-year period. Therefore it is likely that Kiribati will require additional assistance from EIF or AfT partners.

**92.**It is anticipated that MCIC will reinforce and expand relationships with trade-related regional organisations, alleviating the need for additional permanent specialised staff in Kiribati. Expertise in project management, reporting and M&E functions will be required in MCIC to take over the EIF Project Office functions. Plans to create additional permanent posts to absorb EIF-funded posts will be formalized in this phase implementation.

**93.**Capacity development activities and the Whole-of-Government Approach to mainstreaming trade will institutionalise the trade agenda within national planning and budgeting processes. Similarly, the project will align EIF interventions to the national M&E donor coordination and implementation mechanisms. The project will also support efforts to better track AfT through the national aid management system. MCIC will proactively engage development partners beyond the country boundaries, given the lack of country-based donors in Kiribati.

**94.**The success of the EIF-related activities will be measured partly by the extent of uptake by the various national stakeholders of the mainstreaming trade agenda. The project foresees awareness raising and engagement of stakeholders geared towards enhancing the profile of trade and mobilizing increased resources from the national budget.

**95.**At the end of the project, all assets acquired will be formally transferred to the Government of Kiribati.

## SECTION IV: RISK &amp; MITIGATION STRATEGY

## IV.1 ENDOGENOUS RISKS

Description	Type	Impact & Probability (1 to 5 from low to high)	Countermeasures / Management response
Delayed disbursement of funds	Financial	Slow progress in implementation of the project activities  P = 2 I = 3	<ul style="list-style-type: none"> <li>• UNDP to provide guidance and training with required request and reporting procedures;</li> <li>• In-country assistance provided by the UNDP Kiribati Programme Analyst</li> <li>• MFED to improve support service in warrant processing, issuance, monthly GL issuance and financial reconciliation</li> </ul>
Lack of commitment from development partners	Operational	Buy in of other development partners is essential to the implementation of the Trade Policy Framework (TPF). EIF provides seed funding, but other essential priority actions require funding and TA from other specialist partners  P = 3 I = 4	<ul style="list-style-type: none"> <li>• Strengthen the role of the Government of Kiribati to liaise with donors, as well as increase awareness of the EIF at the national level.</li> <li>• Ensure best possible use of various local, regional and international donor fora to advocate for the EIF process and support to the TPF.</li> <li>• Institute a transparent and credible M&amp;E system to demonstrate achievements to other partners.</li> <li>• Maintain Government-led and owned on-going dialogue with development partners</li> </ul>
Lack of political and other stakeholder commitment	Political	Currently political and stakeholder commitment is strong and support has been from all sectors, so the risk is not high  P = 1 I = 2	<ul style="list-style-type: none"> <li>• Ensure NSC/NTAC membership is cross-sector and supported by the BPC.</li> <li>• Ensure all stakeholders are fully involved and informed of project progress.</li> <li>• Ensure effective advocacy programmes targeting stakeholders and parliamentarians</li> </ul>

Retention of skilled staff	Organizational	<p>This is a common problem in Pacific communities where skilled staff are in high demand</p> <p>P = 4 I = 5</p>	<ul style="list-style-type: none"> <li>• Provide incentives for training, etc.</li> <li>• Ensure fair management and distribution of duties to relevant personnel</li> <li>• Training of wider audience to provide backup</li> <li>• Adopt and document regular activities, processes, guidelines etc</li> <li>• For institutional strength, develop partnerships to tap into regional resources</li> </ul>
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#### IV.2 EXOGENOUS RISKS

Description	Type	Impact & Probability (1 to 5 from low to high)	Countermeasures / Management response
Change in government policy	Political	<p>Consensus over the TPF was from all areas of government and private sector, so no substantive changes are envisaged</p> <p>P = 1 I = 2</p>	<ul style="list-style-type: none"> <li>• Ensure that Whole-of-Government approach to trade mainstreamed in government planning processes across sectors is institutionalised</li> <li>• Flexibility in adapting to new policy</li> <li>• Ensure continued transparency in EIF work</li> <li>• The TPF process is very participatory and participation of stakeholders needs to be maintained and strengthened</li> </ul>
Lack of skilled experts to conduct analytical work	Organizational	<p>Small labour markets and lack of qualified personnel in country</p> <p>P = 3 I = 3</p>	<ul style="list-style-type: none"> <li>• Use of EIF and regional networks to recruit international experts</li> <li>• Recruitment of suitable technical officer and specific training needs identified</li> <li>• Tap into regional resources</li> </ul>



Sufficient and competent staff in MCIC and PMU	Organizational	EIF staff during the project implementation period are sustained post EIF project to enable an effective Exit Strategy  P = 2 I = 3	<ul style="list-style-type: none"> <li>• MCIC to ensure core staff positions are included in budget and planning submissions to Government to ensure adequate staffing by end of EIF assistance period</li> <li>• Project staff to ensure continued dialogue with MCIC</li> </ul>
Proposed trade strategies for economic gain have negative effect on the community, poverty reduction, environment and climate change adaptation/mitigation efforts	Strategic	Lack of stakeholders' participation might lead to unfocused and uncoordinated policies.  P = 2 I = 5	<ul style="list-style-type: none"> <li>• Ensure trade policies are formulated in synergy with national development policies, are evidence-based and inclusive</li> <li>• Capacity development of policy makers should be ongoing</li> </ul>
Global Covid-19 pandemic	Operational/ Social	Delay in project implementation due to lockdown (office & flights)  P = 5 I = 5	<ul style="list-style-type: none"> <li>• Work from home</li> <li>• E-meetings, e-workshops, e-communication, tele-conferences, etc</li> <li>• Frequent M&amp;E and adjustments of Workplan to suit situation and resource availability from time to time</li> </ul>

## SECTION V: PROJECT IMPLEMENTATION ARRANGEMENTS

### V.1 MAIN IMPLEMENTING AGENCY (MIE)

96. The United Nations Development Programme Pacific Office (UNDP Pacific) in Fiji is the project Main Implementing Entity (MIE) and, as such, it is ultimately responsible for the implementation of the Tier 1 project. The UNDP team will work closely with the UNDP staff in Kiribati to oversee the project implementation. UNDP is also responsible for the submission of progress, financial and project completion reports to the Trust Fund Manager and to the EIF Secretariat in Geneva. UNDP will report as required on project implementation in terms of funds utilized, activities implemented, outputs delivered and outcomes achieved.

**97.** UNDP's comparative advantage as a politically neutral and trusted development partner in the region, in-country (Kiribati) presence, regional and global outreach, as well as its long lasting support to the IF/EIF in Kiribati, Samoa, Vanuatu and Tuvalu provide the rationale for its appointment as MIE. MCIC, through its request to the EIF Secretariat for UNDP to act as MIE, acknowledged the lack of capacities to successfully implement the EIF programme at this stage. UNDP is well placed to provide technical guidance, oversight and monitoring services in order to build the capacity of MCIC, and wider government stakeholders to effectively implement Aft activities in the country post EIF tier 1 assistance.

**98.** The project is the continuation of Tier 1 Phase 1 project and will be nationally implemented by MCIC/BPC under the UNDP National Implementation Modality (NIM). Such modality is of general application in UNDP's programme activities as it guarantees the highest degree of national ownership, while providing tailored assistance to recruitment, procurement and project management processes. UNDP adopts standard Programme and Operations Policies and Procedures (POPS) across its large portfolio of projects. This information is publicly accessible at [info.undp.org/global/popp/Pages/default.aspx](http://info.undp.org/global/popp/Pages/default.aspx). Detailed information on NIM, procurement and human resource policies is there available. Typical activities provided by UNDP in support to NIM include:

- Communications Unit staff time spent on communication of development results and outcomes in the context of specific development programmes and projects;
- Human Resources Unit staff time spent on the recruitment, selection, hiring, contracting, and/or contract administration of project personnel;
- Procurement Unit staff time spent on the procurement of goods or services on behalf of a project, covering the entire procurement cycle tasks, transport, storage, distribution, on-site receipting of goods, customs clearance, logistics, etc;
- Finance Unit staff time spent on undertaking direct project payment requests;
- Programme staff time and any other CO staff time spent directly on programme implementation and directly contributing to development results;
- Evidence-based reporting on results achieved compared to baselines and evaluation;
- Effective advocacy, media interaction, public information and communication of UNDP's programme priorities and mandate;
- Technical support in formulating and reviewing trade-related policies, policy frameworks and other technical products as well as participating in technical evaluations; and
- Fulfilling substantive reporting requirements.

**99.** UNDP is committed to put in place systems and capacities that will allow Kiribati to graduate and gradually assume a more direct role in the implementation of Aft projects.

**100.** While there are elementary procedures and systems in place for the recruitment of human resources and procurement of goods, the experience with the implementation of development

projects in Kiribati indicate there is insufficient capacity to deal with all aspects of project management. Independent audit reports and spot-checks by UNDP point to the lack of adherence to financial procedures, poor asset management, non-adherence to annual work plans and failure to meet project monitoring and financial reporting timelines. The project's Accountant will liaise with MFED to ensure project operations are aligned with MFED requirements, rules and regulations. The new Public Procurement Act (2019) provides the legal framework for public procurement in MCIC/BPC. The Procurement Committee will evaluate the procurement of goods and services worth over the amount of ten thousand Australian dollars purchased by the EIF Project Office.

**101.** The capacity of MCIC to comply with monitoring and reporting requirements by the Government of Kiribati, UNDP and the EIF will be strengthened. UNDP will provide guidance and training on project management including annual work planning and project reporting based on the principles of results based project management. The UNDP in-country programme analyst will provide on-going support decision making process relating to project activities. The UNDP Pacific Office will organize training workshops during bi-annual missions. Reporting will be closely monitored to ensure knowledge is transferred and systems are in place. UNDP is committed to implement a capacity development plan on project management. By the end of the project MCIC will be well capacitated to take on a more direct role in project implementation and financial management.

**102.** Annual audits will be performed and an evaluation of results will be conducted during the second (final) year of the project.

### **Project Implementation and COVID 19**

**103.** Periodic Monitoring and Evaluation (M&E) Strategy will be adopted during the project implementation to mitigate any risk that may be associated with COVID 19. Workplan will be adjusted from time to time to suit situation considering the developments related to COVID 19. E-meetings, e-workshops, e-communication, tele-conferences, etc, may be adopted to ensure that there is no delay in the implementation of activities as a result of the constraints associated with COVID-19.

### **V.2 NATIONAL OWNERSHIP**

**104.** Discussions on the formulation of this Tier 1 Phase 2 proposal commenced in Kiribati after the endorsement of the TPF in 2018 under the leadership of MCIC. A wide range of stakeholders, including members of the NTAC/NSC, other government representatives, private sector and civil society contributed to the document, which was driven by action items identified through stakeholder consultations for the TPF process. The endorsement and launch of the TPF by the Government demonstrated full ownership of the EIF process and agenda.

**105.** This project document, compiled in the immediate aftermath of the Cabinet’s approval was drafted after multiple rounds of consultations within MCIC and relevant stakeholders through a participatory process. Previous drafts of this document were shared among stakeholders in Kiribati with their comments being incorporated in this draft. An NSC/NTAC meeting was conducted on 19th of March 2020 comprising of the Government Secretaries, NIE, MIE, representatives from the private sector, NGOs, women associations and other stakeholders. Prior the NSC/NTAC meeting, the draft proposal was shared with the UNDP Pacific Office for their review and inputs. Following the NSC/NTAC meeting the EIF Tier 1 Project Document was submitted to the EIF Secretariat for final review and appraisal.

### **V.3 NATIONAL IMPLEMENTATION ARRANGEMENTS**

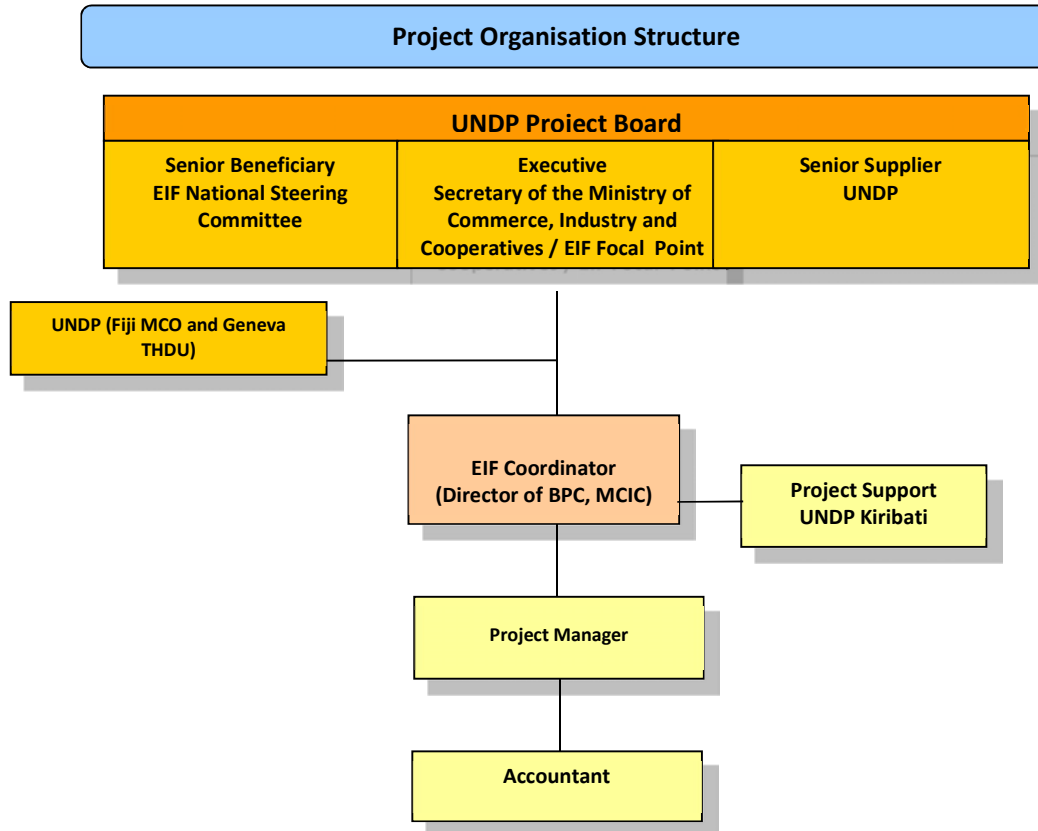
**106.** The Secretary of MCIC will remain as the EIF Focal Point just like what has been practised in the Tier 1 Phase 1 project. Assisted by the Deputy Secretary he/she will oversee the implementation of the EIF project under the strategic guidance of the NTAC/NSC. The EIF Coordinator will be the Director of BPC (DBPC), who will be charge of the EIF programme in Kiribati. The EIF Coordinator will be assisted by the Assistant EIF Coordinator who is the Senior Trade Officer (STO). The EIF Project Office team will comprise of the EIF Project Manager and EIF Accountant. BPC staff will also provide support on need basis. If time permits and the if the EIF Project Manager and EIF Accountant are still in the PMU completing the Kiribati Coconut Project funded by the India, Brazil and South Africa (IBSA) Facility, they will be retained to save costs. Otherwise, new officers will be recruited for this project.

**107.** The project will still be supported by the UNDP Pacific Office in Suva, UNDP Joint Operations Centre in Suva, the UNDP Pacific Centre in Suva and the Bureau for Policy and Programme Support in Geneva. This support provided includes project oversight, policy advice, technical support, administrative support and quality control.

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### Structure at Institutional and Project Level:



As per UNDP's POPS, the Project Board is a tripartite structure consisting of the Executive (the Government Coordinating Agency, MCIC, represented by the Secretary who is also the EIF Focal Point), the Stakeholders (the NSC which is the EIF project steering committee and headed by the EIF Focal Point) and UNDP. Role descriptions and TORs for positions in this structure can be found at the end of this document. The EIF Secretariat will also be invited to join the Project Board.

#### Project Implementation:

The project will be nationally implemented by the MCIC according to UNDP's NIM modality.

#### Responsibilities of each party

UNDP's role is to:

- Act as the main communication channel between the EIF Secretariat and the project in Kiribati;
- Monitor the project's progress towards intended outputs;
- Monitor that EIF resources entrusted to UNDP are utilized appropriately;
- Ensure national ownership, on-going stakeholder engagement and sustainability;
- Ensure that the project's outputs contribute to intended country programme outcomes;
- Participate in the project management board;

- When UNDP is identified as a responsible party, perform duties as associated with this role including, when requested and agreed to, provide implementation support services; (i.e. UNDP Country Office Support to national implementation);
- Report on progress to the EIF Executive Board and EIF Trust Fund Manager (as described in the project document) and to UNDP through corporate reporting mechanisms;
- Provide training and mentoring to build the capacity of MCIC/BPC in project and financial management, monitoring and reporting assisting with development of internal systems aligned to national systems, rules and regulations. This will include capacity building to assist with MCIC/BPC transition to MIE status.

The Implementing Partner (MCIC/BPC) is responsible for:

- Managing the overall conduct of the project;
- Implementing activities by procuring goods and services;
- Checking on progress and watch for plan deviations;
- Ensuring that changes are controlled and problems addressed;
- Monitoring risks;
- Reporting to UNDP on progress using the prescribed UNDP results based reporting format which will link to reporting formats required by the EIF Secretariat and the EIF Trust Fund Manager.

### **Detailed Roles and Responsibilities**

#### Project manager (EIF Project Office)

- Plan the activities of the project and monitor progress against the approved work-plan;
- Procure personnel, goods and services and training to initiate activities, including drafting terms of reference and work specifications and overseeing all contractors' work;
- Monitor events as determined in the project monitoring schedule plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments, or reimbursement using the FACE form;
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Be responsible for preparing and submitting narrative and financial reports to the Project Board (EIF FP, NSC, MCIC and UNDP) on a quarterly basis;
- Manage and monitor the project risks initially identified and submit new risks to the project board for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log;
- Capture lessons learnt during project implementation – a lessons learnt log can be used in this regard;
- Perform regular progress reporting to the project board as agreed to with the board;
- Prepare the annual review report, and submit the report to the project board and the outcome group;
- Prepare the annual work plan for the following year, as well as quarterly plans if required.

#### Project board

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the project manager;
- Provide guidance on new project risks and agree on possible countermeasures and management actions to address specific risks;

- Review the project progress and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Review combined delivery reports prior to certification by the implementing partner;
- Appraise the project annual review report, make recommendations for the next annual work plan, and inform the outcome group about the results of the review;
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide to proceed on project changes through appropriate revisions;

UNDP project assurance

- Ensure that funds are made available to the project;
- Ensure the project is making progress towards intended outputs;
- Perform regular monitoring activities, such as periodic monitoring visits and "spot checks";
- Ensure that resources entrusted to UNDP are utilized appropriately;
- Ensure that critical project information is monitored and updated in Atlas;
- Ensure that financial reports are submitted to UNDP on time, and that combined delivery reports are prepared and submitted to the project board;
- Ensure that risks are properly managed, and that the risk log in Atlas is regularly updated;

Project support (EIF Project Office)

- Set up and maintain project files;
- Collect project related information data;
- Assist the project manager in updating project plans;
- Administer project board meetings;
- Administer project revision control;
- Establish document control procedures;
- Compile, copy and distribute all project reports;
- Assist in the financial management tasks under the responsibility of the project manager;
- Provide support in the use of Atlas for monitoring and reporting;
- Review technical reports;
- Monitor technical activities carried out by responsible parties.

UNDP programme manager (UNDP Fiji MCO resident representative or delegated authority):

- Ensure that resources entrusted to UNDP are utilized appropriately;
- Ensure that the project is making progress towards intended outputs;
- Ensure national ownership, ongoing stakeholder engagement and sustainability;
- Ensure that the project's outputs contribute to intended country programme outcomes;
- Ensure that key results and issues pertaining to project performance are fed into the outcome and programme level monitoring;
- Approve budget for the first year in Atlas;
- Approve and sign the annual work plan for the following year.

Implementing partner (authorized MCIC personnel with delegated authority):

- Approve and sign the annual work plan for the following year;

- Approve and sign the Combined Delivery Report (CDR) at the end of the year;
- Sign the Financial Report or the FACE form.

### **UNDP Support Services**

UNDP as the “Responsible Party” designated on the UNDP Annual work plan (AWP) will provide the following support services to the Kiribati Integrated Framework for Trade under UNDP Rules and Regulations) as detailed in the attached Letter of Agreement:

1. Personnel
  - Recruitment and administration of international personnel/consultants including consultants for the DTIS Update and the project evaluation
  - Serve as Panel member for selection of local personnel/consultants
2. Travel services
  - Procurement of air tickets, calculation and payment of daily subsistence allowances and any other allowable costs for all international project travel
3. Costs for UNDP monitoring, evaluation and training missions
4. Procurement of goods over the value of \$A10,000 (ten thousand Australian dollars) to be done according the requirement and condition of the new Public Procurement Act (2019).

### Procurement and Recruitment Services:

1. Local procurement as detailed on the annual work plan for items under A\$10,000
2. Local staff recruitment (in conjunction with UNDP as selection panel member) and administration of local staff contracts
3. Local project travel (boat fares and daily subsistence allowance)

### *Harmonized Approach to Cash Transfers (HACT)*

1. Assignment of funds to be used in country will be documented on the Annual Work Plan (AWP) for the EIF Project Office, with the MCIC as the “Responsible Party”. Funds will be released to the project under UNDP HACT guidelines (refer Annex III). Quarterly advances will be remitted based on budgeted quarterly workplans detailing the project’s in country requirements for each quarter. The EIF FP will request advance and report expenditure quarterly using the FACE form. New advances will not be issued unless 80% of the previous advance is disbursed.
4. FACE forms should be received by UNDP within 15 days of the end of each quarter, together with a copy of the project cashbook, reconciled with and endorsed by the MFED Development Accountant. UNDP will scrutinize for accuracy and ensure expenditure is in line with the work plan. Any amendments made by UNDP will be discussed and agreed with the MCIC.
5. Receipt and management of project funds in country, advanced under UNDP NIM Guidelines will adhere to Government of Kiribati requirements. All expenditure processes should follow the normal government financial procedures, rules and regulations for the management of Government resources. Procurement will adhere to UNDP principles of transparency and best value for money.
6. Funds will be remitted by UNDP to the Government of Kiribati-Development Account with the ANZ Bank (Kiribati). A separate ledger will be opened for the project in the MFED and funds will be accessed through the Government Financial Management System in compliance with established Government procedures. Based on this ledger, FACE forms will be submitted on a quarterly basis to UNDP, who will provide assurance and capacity building to the process.



7. MCIC will ensure accurate financial records and documentation are kept by the project and reconciled on a monthly basis with MFED general ledger.
8. Based on the expenditures reports received from the project and recorded in Atlas (the UNDP corporate management system), UNDP prepares a Combined Delivery Report (CDR) at the end of the quarter. The CDR is the report that reflects the total expenditures and actual obligations (recorded in Atlas) of a Project during a period (quarterly and mandatory at the end of each year). The CDR constitutes the official report of expenditures and obligations of the project for a given period.
9. Details of these reports are described in Section VI. Project Accountability Arrangements. Based on these reports, and in accordance with the UNDP/UNOPS Joint Partnership letter (JPL) and the UNDP Template for Country Level Contribution Agreements for the Enhanced Integrated Framework for Trade-related Technical assistance to Least Developed countries, UNDP will be responsible for the provision of all reports required by the EIF Board and Trust Fund Manager, specifically (i) semi-annual narrative and uncertified financial reports to be provided by the Bureau for Development Policy; (ii) a final narrative report; and (iii) annual and final certified financial statements. The TFM will also hold regular portfolio reviews with UNDP through GTHDU.

UNDP will work with MCIC to implement the following:

- i. During year 1 set up its own financial management procedures in line with Government rules and project financial management procedures;
- ii. Ensure that a system is in place to receive and access project funding in line with Government rules and financial management procedures
- iii. Ensure that the recruited finance staff are fully capable of and equipped to manage the resources of the EIF;
- iv. Prepare and submit to UNDP a duly completed FACE form for quarterly release of funds, based on approved activities and budget in the Annual Work Plan (AWP). The initial FACE form will be submitted before the first disbursement by UNDP;
- v. Prepare and submit quarterly reports of expenditure and requests for subsequent advances using the FACE form and ensuring simultaneous submission of quarterly narrative report on activities;
- vi. Undergo an external audit as required by UNDP National Implementation Guidelines and budgeted in the Tier 1 Proposal.

#### Asset Management

1. The MCIC, as NIE must keep in good order and organized the inventory of all the equipment procured in the framework of the project. Likewise, it is responsible for ensuring that the purchased equipment and/or inputs are solely used for the purposes intended in the project and that the equipment is in good working condition. All equipment should be tagged and numbered as UNDP project assets
2. The MCIC must take the necessary steps to update the inventories required upon acquisition, disposal or loss of equipment. Disposal and loss should be carried out in line with point 4. Below
3. Every year, the MCIC must provide the UNDP MCO in Fiji with an inventory of all the equipment purchased in the framework of the project. In addition, UNDP may at any time request the implementing partner to provide an update of the equipment inventory, if necessary.
4. In the case of damage, theft or loss of any equipment purchased in the framework of the project, the EIF Coordinator through the EIF FP, must provide a report informing the UNDP country office of this event, attaching the corresponding police report with all details of the circumstances that led to the loss or

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damage of the equipment. This report may be used with the purpose of requesting the insurance company to replace the item, and also for any appropriate disciplinary action.

5. On completion of the project, ownership of the project assets will be transferred to the MCIC.

Conflict of interest and anti-corruption measures

1. MCIC is required to apply UNDP guidelines if national rules and regulations do not meet international standards. These are:
  - UNDP is required to abide by the conflict of interest and anti-corruption standards of conduct that are set forth in the Staff Regulations and Rules of the United Nations and the UNDP POPP.
  - UNDP POPP prohibits conflicts of interest and corrupt practices in connection with the award and administration of contracts, grants or other benefits (see the UNDP Contracts, Assets and Procurement User Guide’s Procurement Ethics and Procurement Fraud and Corrupt Practices sections, attached).

**108.** The roles and responsibilities of the EIF Focal Point are outlined in the box below.

**Roles and Responsibilities: EIF Focal Point**

- Oversee the functioning of the NIA. He/She may appoint a deputy Focal point, if needed.
- Work closely with the relevant line Ministries, the Donor Facilitator, EIF Executive Secretariat, donors and partners to ensure that trade (TPF priorities) is mainstreamed in the KDP.
- Lead on the updating of the TPF.
- Report to the Government progress in EIF implementation.
- Provide continuous guidance and coaching to EIF staff
- Develop linkages with the EIF Executive Secretariat and oversee and endorse reports on EIF progress.
- Work closely with, and maintains, a continuous in-country dialogue with the private sector, civil society, the Donor Facilitator, other donors and EIF Agencies.
- Lead the formulation of the communication action plan aimed at enhancing support and involvement of key EIF stakeholders.
- Work closely with MFED and other Government agencies to ascertain that TPF priorities are mainstreamed into the national development plans, such as the PSDP.

**109.** The TORs for the EIF Project Manager and EIF Accountant are outlined below.

**(1) Job Title: EIF Project Manager (EIF funded)**

**Responsible to: EIF Coordinator**

The EIF Project Manager is responsible to the EIF Coordinator and provides support to the EIF Coordinator. The functions of the Project Manager are as follows:

- Overall management and administration of the EIF project

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- Submission of financial and other reports to UNDP through the EIF FP
- Facilitate auditing of EIF funds
- Liaise with EIF Coordinator and
- Advise on the financial status of EIF project funds

**Specific Requirements:**

- Education to at least Post graduate/Master degree with two year work experience, preferably in areas of economics, trade and development or management or Degree with 5 year work nexperience in the same fields;
- Project coordination and reporting skills;
- Good computer skills, experience in MS word and MS excel, database skills an advantage;
- Good interpersonal skills; good communication skills in both English, and i-Kiribati is preferable.

**(2) Job Title: EIF Accountant (EIF funded)**

**Responsible to:** EIF Project Manager

The EIF Accountant/Project Administrative Officer is responsible to the EIF Coordinator and provides support to ensure that all activities in the project work plan are carried out as scheduled.

**EIF Accountant roles:**

- Overall management of project funds with allocated budgets. Oversight of financial records maintained by the Finance officer;
- Preparation of quarterly financial acquittals, progress and annual reports of the project;
- Liaise with MFED to implement project financial record keeping. maintain project financial records and reconcile with MFED on a monthly basis;
- Provide advice and information to internal and external clients and stakeholders as required;
- Any other duties and responsibility directed by the EIF Coordinator and the EIF Focal Point which relate to the EIF programme.

**Role Specific Requirements**

- Education to at least Diploma level from recognized tertiary institutions, preferably in areas of accounting, economics, and management. Diploma with 5 years works experience and degree with 3 year work experience;
- Project coordination and reporting skills.
- Good computer skills, experience in MS word and MS excel, database skills an advantage;
- Good interpersonal skills; good communication skills in English, and i-Kiribati is preferable.

**110.** The project will be monitored as part of the UN Development Assistance Framework (UNDAF) and the 2013-2017 UNDP Sub-Regional Programme Document (UNDP SRPD) M&E process, coordinated by a UN Monitoring and Evaluation Specialist. Particular attention will be given to ensure gender and capacity development indicators are included and monitored.

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**111.** Development of capacity in project and financial management, monitoring and reporting will be provided initially by the Country Partnership and Results Unit of the Fiji UNDP Pacific Officer, with on-going assistance from the Kiribati UNDP Programme Analyst. Technical support and advice will be provided by the Programme Development and Policy Unit of the Fiji UNDP Pacific Office; the private sector and aid effectiveness specialists in the UNDP Pacific Centre; and the UNDP Trade and Human Development Unit in Geneva. UNDP will ensure that the aid coordination component of the Tier 1 project will be closely linked and integrated into Kiribati's broader aid and development effectiveness work supported by UNDP and development partners. The UNDP Pacific Office's experience in working with Millennium Development Goals planning and aid coordination projects in various Pacific countries will facilitate the incorporation of best practices and lessons learned into the trade mainstreaming process.

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## ANNEX 1 - Terms of Reference

### Developing Processing Centre for Coconut Value-Added Products

#### A. Background

1. The Government through its 20-year vision development plan (KV20) seeks to develop economic activities on the outer islands, through creation of new industries and improved trade with the view of enhancing inclusive growth, sustainable development and poverty reduction. Coconut remains to be one of the complementary sectors that can support the realization of the KV20 vision, given its linkages with tourism sector and the cultural capital component of KV20. It is in this context that a processing centre targeting production of value-added coconut products will be established in one of the outer islands in order to support the development of inclusive trade and private sector development in line with the Government 20-year vision development plan and the Trade Policy Framework (TPF) which seeks to spread the benefits of trade to all.
2. The construction and equipping of the processing centre will target producer cooperatives trained in the production of value-added coconut products like Virgin Coconut Oil, Coconut Sap Sugar and Coconut Soap. The centre will be constructed and equipped with production tools and equipment to assist the producers especially women and the youth on the outer islands to take advantage of the skills gained in the production of the coconut value-added products given that lack of production equipment to facilitate the utilization of the skills gained and available raw materials on the outer islands is one of the challenges faced by the SMEs and local producers. It is expected that the centre will have wider spill-over effects to those engaged in the production and distribution value chain. It will also assist in disseminating knowledge on coconut value addition / processing and marketing to those on the capital island and those in the outer islands.

#### B. Key tasks

3. The following activities will be undertaken to achieve the expected outputs:
  - a) Selection of the island
  - b) Site surveying and planning
  - c) Building design
  - d) Tender preparation and selection of contractor
  - e) Construction of the Processing Centre
  - f) Procurement and set up of Processing equipment
  - g) Training and mentorship of the producers to facilitate operations of the processing centre

#### C. Expected Outputs

- ❖ Processing Centre constructed
- ❖ Processing tools and equipment procured and installed

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- ❖ At least 10 women champions trained and mentored on the usage of the processing tools and equipment

#### **D. Expected Outcome in the medium term**

- ❖ Increase in the number of coconut value-added products
- ❖ Enhanced employment, income and improved livelihood for the Kiribati people living on the outer islands
- ❖ Improved volume of domestic trade and tourism through value chain linkages.

#### **E. Key beneficiaries / target group**

- ❖ Women and youth engaged in coconut value addition processes
- ❖ Producers of coconut value-added products
- ❖ Coconut farmers in the value chain
- ❖ Traders engaged in the Marketing of coconut products

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## ANNEX II (A): WORK PLAN



Country: Kiribati

Project Title: Kiribati Trade Capacity Development and Institutional Strengthening Project

Funded By: EIF Trust Fund

Implementing Agency: Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

Outcome and Output	Description of activity	Description of Inputs	2020		2021				2022		Estimated Budget	Notes/Observation
			Year 1		Year 2							
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2		
<b>Outcome 1: Kiribati owns a Trade agenda conducive to sustainable pro-poor growth</b>												
<b>Output 1.1: improved evidence-based policy inputs supporting pro-poor trade</b>												
In line with Indicator under Output 1.1	Supporting MCIC towards formulation of E-Commerce Policy	Recruitment and deployment of International Consultant to provide technical support towards the formulation of E-Commerce Policy									40,000.00	Fee and Travel cost for the International Consultant to be hired through competitive process
	Organising National Consultative meetings to facilitate the formulation of E-Commerce Policy	Meeting venue and refreshments									4,000.00	Cost of organising meetings
	Supporting MCIC towards the formulation of National Cooperative Policy	Recruitment and deployment of International short-term Consultant to provide technical support towards the formulation of National Cooperative Policy and Training on Cooperative Development									40,000.00	Fees and Travel cost for International Consultant to be hired through competitive process
	Organising National Consultative meetings to facilitate the formulation of National Cooperative Policy	Include cost of Meeting /Training venue and refreshments									2,000.00	Cost of organising meetings
	Supporting MCIC in reviewing the Cooperative Ordinance in order to improve Cooperative governance in Kiribati	Recruitment and deployment of short-term international consultant to facilitate the review of Cooperative Ordinance									30,000.00	Fee and Travel cost for the International Consultant to be hired through competitive process
	Supporting MCIC in organising consultative meetings to facilitate review of Cooperative Ordinance	Include cost of meeting venue and refreshments									2,000.00	Cost of organising meetings

LB

## ANNEX II (A): WORK PLAN



Country: Kiribati

Project Title: Kiribati Trade Capacity Development and Institutional Strengthening Project

Funded By: EIF Trust Fund

Implementing Agency: Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

Outcome and Output	Description of activity	Description of Inputs	2020		2021				2022		Estimated Budget	Notes/Observation
			Year 1		Year 2							
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2		
	Supporting MCIC towards developing Consumer Protection Bill and review of existing Consumer Protection Act	Recruitment and deployment of short-term International consultant to facilitate development of Consumer Protection Bill									30,000.00	Fee and Travel cost for the International Consultant to be hired through competitive process
	Supporting MCIC in organising consultative meetings to facilitate review of existing Consumer Protection Bill	Include cost of meeting venue and refreshments									4,000.00	To cover different consultative meetings
	Supporting MCIC in procuring working standards and equipment for fuel dispenser verification	Equipment purchase and freight cost									12,000.00	Cost of purchasing equipment and freight costs
	Sensitisation of stakeholders on trade policy related laws	Cost of advocacy forums and radio awareness programmes									6,000.00	Cost for awareness programmes targeting recently enacted legislations
	Supporting MCIC in launching Investment Policy Framework	Venue, meeting costs including supporting service									3,000.00	Meeting costs including support services
<b>Sub Total</b>											<b>173,000.00</b>	
<b>Output 1.2: Strengthened institutional coordination of Trade and Development</b>												
	Training public officials on verification of fuel dispensers	Engaging short-term Metrology consultant to facilitate training of existing public officials on									10,000.00	Fee and Travel cost for the International Consultant to be hired through competitive process
	Supporting MCIC in organising training workshop on verification of Fuel Dispensers	Include cost of meeting venue and refreshment									2,000.00	Cost for venue and refreshment
	Technical support towards implementation of Coconut Sector Development Strategy (CSDS)	Recruitment of local CSDS Advisor									20,000.00	Fees for local consultant to facilitate the implementation of CSDS
	Technical support towards Proposal development	Recruitment of short-term consultant to facilitate proposal development									10,000.00	Fee for National short-term consultant
	Organising workshop to facilitate training on Cooperative Development	Include cost of Meeting /Training venue and refreshments									2,000.00	Cost for venue and refreshment including other support services
<b>Sub Total</b>											<b>44,000.00</b>	

LB



## ANNEX II (A): WORK PLAN



**Country:** Kiribati

**Project Title:** Kiribati Trade Capacity Development and Institutional Strengthening Project

**Funded By:** EIF Trust Fund

**Implementing Agency:** Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

Outcome and Output	Description of activity	Description of Inputs	2020		2021				2022		Estimated Budget	Notes/Observation
			Year 1		Year 2							
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2		
<b>Outcome 2: Increase presence in International Market</b>												
<b>Output 2.1: Support to boost productive capacities and access to international markets</b>												
In line with Indicator under Output 1.2	Construction of processing centre and procurement of equipment to facilitate value addition in selected outer islands	Construction and installation processing equipment installation cost									74,000.00	Cost for procuring materials, designing and construction
	Support towards review and development of New Mauri Mark Standards for Tourism	Recruitment of Short term Consultant to facilitate Development of Mauri Mark Standards									40,000.00	Fee and Travel cost for the International Consultant to be hired through competitive process
	Supporting MCIC in organising national Consultation workshop to facilitate the development of Mauri Mark Standards	Include venue and meeting costs including support services									4,000.00	Cost for venue and refreshments
	Implementation of Value addition Agricultural Project	Construction and installation processing equipment installation cost									50,000.00	Cost for procuring materials, designing and construction
<b>Sub Total</b>											<b>168,000.00</b>	
<b>Output 2.2: Support to EIF countries to leverage additional funding</b>												
In line with Indicator under Output 2.2	Designing Aid for Trade Project on coconut Sector and value chain development	Consultative workshop to facilitate design of the project									2,000.00	To support stakeholder engagement
	Support Public Officials in participating in EIF Regional Trade Meetings	Cost of Travel to participate in the meetings									30,000.00	To support participation of trade and Government officials in participating in EIF related meetings
	Designing Aid for Trade Project on E-Commerce	Consultative workshop /meeting cost to facilitate design of the project									2,000.00	To support stakeholder engagement
	Designing Aid-for-Trade Project on Tourism and Value Chain development	Consultative workshop/meeting cost to facilitate design of the project									2,000.00	To support stakeholder engagement
<b>Sub Total</b>											<b>36,000.00</b>	
<b>Project Management and Operation</b>												

LB

## ANNEX II (A): WORK PLAN



**Country:** Kiribati

**Project Title:** Kiribati Trade Capacity Development and Institutional Strengthening Project

**Funded By:** EIF Trust Fund

**Implementing Agency:** Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

Outcome and Output	Description of activity	Description of Inputs	2020		2021				2022		Estimated Budget	Notes/Observation
			Year 1				Year 2					
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2		
	Project Manager	Project Management									57,600.00	Full time dedicated Project Manager as the primary focal point
	Accountant	Project Management									36,000.00	Full time dedicated Accountant
	Audit	Procurement of firm to conduct annual and final audits									10,000.00	Cost for hiring of firm to conduct project audits (annual and final). \$5,000 per audit.
	Office Space (Internet Cleaning and Security)										-	In-kind contribution by MCIC
	Evaluation	Hiring of consultant to conduct final evaluation									20,000.00	International Consultant for final evaluation
	Organising NSC /NTAC Meetings	Meeting facilitation /Transport cost									2,400.00	Cost of NSC meetings. No sitting allowance
	Project Oversight	Monitoring missions by UNDP									16,000.00	Quarterly oversight in-country missions by UNDP (\$2,000 per mission)
	Office Supplies	Office stationeries, etc									17,510.00	Cost for stationary at \$8,755 per year
	Printing and Publication	Cost for printing									2,000.00	Cost for printing documents
	GMS fee	General Project Management									17,490.00	Cost of general management of project by UNDP
<b>Sub Total</b>											<b>179,000.00</b>	
<b>Grand Total</b>											<b>600,000.00</b>	

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## ANNEX II (B): DETAILED BUDGET

Country: Kiribati

Project Title: Kiribati Trade Capacity Development and Institutional Strengthening Project

Funded by: EIF Trust Fund

Implementing Agency: Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

Indicator Reference (Same as the Workplan)	Input Account (As per below listed)	Input Account Title (As per below listed)	Input Description	Year 1				Year 2			Total Budget for years	Remarks
				Unit	No Units	Unit Cost	Total	No Units	Unit Cost	Total		
<b>Output 1.1: improved evidence-based policy inputs supporting pro-poor trade</b>												
Supporting MCIC towards the Formulation of E-commerce Policy	71200	International Expert	Recruitment and deployment of International Consultant to provide technical support towards the formulation of E-Commerce Policy	<i>lumpsum</i>	1.00	40,000.00	40,000.00	-	-	-	40,000.00	Covers travel costs, professional fees, accommodation, meals, in-country mission costs, etc.
Organising National Consultative meetings to facilitate the formulation of E-Commerce Policy	74000	Operating Cost	Meeting venue and refreshments	<i>Meetings</i>	4.00	1,000.00	4,000.00	-	-	-	4,000.00	To cater for meetings during in-country missions and focus group discussions
Supporting MCIC towards the formulation of National Cooperative Policy	71200	International Expert	Recruitment and deployment of International Short-term Consultant to provide technical support towards the formulation of National Cooperative Policy and Training on Cooperative Development	<i>lumpsum</i>	1.00	20,000.00	20,000.00	1.00	20,000.00	20,000.00	40,000.00	Covers travel costs, professional fees, accommodation, meals, in-country mission costs, etc.
Organising National Consultative meetings to facilitate the formulation of National Cooperative Policy	74000	Operating Cost	Include cost of meeting venue and refreshments	<i>Meetings</i>	1.00	1,000.00	1,000.00	1.00	1,000.00	1,000.00	2,000.00	Cost of meeting venue and support services. \$1,000 per meeting to cover venue, refreshment, printing costs and other support services
Supporting MCIC in reviewing the Cooperative Ordinance in order to improve Cooperative governance in Kiribati	71200	International Expert	Recruitment and deployment of short-term International Consultant to facilitate the review of Cooperative Ordinance	<i>lumpsum</i>	1.00	15,000.00	15,000.00	1.00	15,000.00	15,000.00	30,000.00	Covers travel costs, professional fees, accommodation, meals, in-country mission costs, etc.
Supporting MCIC in organising consultative meetings to facilitate review of Cooperative Ordinance	74000	Operating Cost	Include cost of meeting venues and refreshments	<i>Meetings</i>	1.00	1,000.00	1,000.00	1.00	1,000.00	1,000.00	2,000.00	Cost of meeting venue and support services. \$1,000 per meeting to cover venue, refreshment, printing costs and other support services
Supporting MCIC towards developing Consumer Protection Bill and review of existing Consumer Protection Act	71200	International Expert	Recruitment and deployment of short-term International Consultant to facilitate development of Consumer Protection Bill	<i>lumpsum</i>	-	-	-	1.00	30,000.00	30,000.00	30,000.00	Covers travel costs, professional fees, accommodation, meals, in-country mission costs, etc.
Supporting MCIC in organising consultative meetings to facilitate review of Gambling Policy and legislation	74000	Operating Cost	Include cost of meeting venues and refreshments	<i>Meetings</i>	-	-	-	4.00	1,000.00	4,000.00	4,000.00	Cost of meeting venue and support services. \$1,000 per meeting to cover venue, refreshment, printing costs and other support services
Supporting MCIC in procuring working standards and equipment for fuel dispenser	72200	Equipment	Equipment purchase and freight cost	<i>lumpsum</i>	1.00	12,000.00	12,000.00	-	-	-	12,000.00	One-off purchase of equipment through competitive procurement process
Sensitisation of stakeholders on trade policy related laws	74100	Prof Services	Engaging short-term International Metrology Consultant to facilitate training of existing public officials on verification of Fuel dispensers	<i>Yearly</i>	1.00	3,000.00	3,000.00	1.00	3,000.00	3,000.00	6,000.00	\$3,000 per year for sensitisation programmes
Supporting MCIC in launching Investment Policy Framework	74000	Operating Cost	Venue and meeting costs including supporting service	<i>Meeting</i>	1.00	3,000.00	3,000.00	-	-	-	3,000.00	Cost of launch meeting, venue and support services
<b>Sub-total output on improved evidence-based policy inputs supporting pro-poor trade</b>							<b>99,000.00</b>			<b>74,000.00</b>	<b>173,000.00</b>	
<b>Output 1.2: Strengthened institutional coordination of Trade and Development</b>												
Training public officials on verification of fuel dispensers	71200	International Expert	Engaging short term Metrology consultant to facilitate training of existing public officials on verification of fuel dispensers	<i>lumpsum</i>	1.00	10,000.00	10,000.00	-	-	-	10,000.00	Fee and Travel cost for the International Consultant to be hired through competitive process

## ANNEX II (B): DETAILED BUDGET



Country: Kiribati

Project Title: Kiribati Trade Capacity Development and Institutional Strengthening Project

Funded by: EIF Trust Fund

Implementing Agency: Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

Indicator Reference (Same as the Workplan)	Input Account (As per below listed)	Input Account Title (As per below listed)	Input Description	Year 1				Year 2			Total Budget for years	Remarks	
				Unit	No Units	Unit Cost	Total	No Units	Unit Cost	Total			
Supporting MCIC in organising Training Workshop on verification of Fuel Dispensers	74000	Operating Cost	Include cost of meeting/workshop, venue and refreshment	Days	4.00	500.00	2,000.00	-	-	-	2,000.00	4 Days Training @ \$500	
Technical support towards proposal development	71300	National Staff	Recruitment of National Short term Expert on Proposal development	Months	3.00	3,333.00	10,000.00	-	-	-	10,000.00	Short-term consultant for 3 months	
Technical support towards implementation of Coconut Sector Deevlopment Strategy (CSDS)	71300	National Staff	Recruitment of local CSDS Advisor	Months	6.00	3,300.00	20,000.00	-	-	-	20,000.00	Short-term consultant for 6 months	
Organising workshop to facilitate Training on Cooperative Development	74000	Operating Cost	Include cost of Meeting /Training Veneue and refreshments	Days	2.00	1,000.00	2,000.00	-	-	-	2,000.00	To cater for venue, stationary and refreshment	
<b>Subtotal Output : Strengthened institutional coordination of Trade and Development</b>							<b>44,000.00</b>				<b>-</b>	<b>44,000.00</b>	
<b>Output 2.1: Support to boost productive capacities and access to international market</b>													
Construction of processing Centre and Procurement of equipment to facilitate value addition in outer Islands	72100	Subcontracts	Construction and installation processing equipment installation cost	lumpsum	1.00	74,000.00	74,000.00	-	-	-	74,000.00	To be implemented through competitive tender process	
Support towards review and development of new Mauri Mark standards for Tourism	71200	International Expert	Recruitment of short-term consultant to facilitate development of Mauri Mark standards	lumpsum	1.00	40,000.00	40,000.00	-	-	-	40,000.00	Fees and travel for International short-term consultant	
Supporting MCIC in organising national Consultation workshop to facilitate the Development of Mauri Mark Standards	74000	Operating Cost	Include venue and meeting cost including support services	Meetings	4.00	1,000.00	4,000.00	-	-	-	4,000.00	To be implemented through competitive tender process	
Implementation of value addition Agricultural project	72100	Subcontracts	Construction and installation processing equipment installation cost	lumpsum	1.00	50,000.00	50,000.00	-	-	-	50,000.00	To be implemented through competitive tender process	
<b>Sub total: Support to boost productive capacities and access to international market</b>							<b>168,000.00</b>				<b>-</b>	<b>168,000.00</b>	
<b>Output 2.2: Support to EIF countries to leverage additional funding</b>													
Designing Aid for Trade Project on coconut Sector and value-chain development	74000	Operating Cost	Consultative workshop to facilitate design of the project	Meetings	2.00	1,000.00	2,000.00	-	-	-	2,000.00	\$1,000 per consultative meeting	
Support public officials in participating in EIF Regional Trade meetings	71600	Travel and Missions	Cost of Travel to participate in the meetings	Annual	1.00	15,000.00	15,000.00	1.00	15,000.00	15,000.00	30,000.00	DSA and flight cost will vary depending on the location and number of meetings	
Designing Aid-for-Trade Project on E-Commerce	74000	Operating Cost	Consultative workshop /meeting cost to facilitate design of the project	Meetings	2.00	1,000.00	2,000.00	-	-	-	2,000.00	\$1,000 per consultative meeting	
Designing Aid-for-Trade Project on Tourism and Value-Chain development	74000	Operating Cost	Consultative workshop/Meeting cost to facilitate design of the project	Meetings	2.00	1,000.00	2,000.00	-	-	-	2,000.00	\$1,000 per consultative meeting	
<b>Sub Total Output 2.1: Support to EIF countries to leverage additional funding</b>							<b>21,000.00</b>				<b>15,000.00</b>	<b>36,000.00</b>	
<b>Project Management and Operation</b>													
Project Manager	71300	National Staff	Project Management	months	12.00	2,400.00	28,800.00	12.00	2,400.00	28,800.00	57,600.00	Full time dedicated Project Manager as the primary focal point for the T1 project	
Accountant	71300	National Staff	Project Management	months	12.00	1,500.00	18,000.00	12.00	1,500.00	18,000.00	36,000.00	Full time dedicated Project Accountant as the primary focal point for the T1 project	
Audit	74100	Prof Services	Procurement of firm to conduct annual and final audits	Lumpsum	1.00	5,000.00	5,000.00	1.00	5,000.00	5,000.00	10,000.00	Hiring of firm to conduct project audits (annual and final). \$5,000 per audit.	
Office Space, Internet, Cleaning and Security	74000	Operating Cost	In-kind contribution from MCIC/Kiribati Government								-	In-kind contribution by MCIC	

## ANNEX II (B): DETAILED BUDGET



Country: Kiribati

Project Title: Kiribati Trade Capacity Development and Institutional Strengthening Project

Funded by: EIF Trust Fund

Implementing Agency: Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

Indicator Reference (Same as the Workplan)	Input Account (As per below listed)	Input Account Title (As per below listed)	Input Description	Year 1				Year 2			Total Budget for years	Remarks
				Unit	No Units	Unit Cost	Total	No Units	Unit Cost	Total		
Evaluation	71200	International Expert	Hiring of consultant to conduct final evaluation	<i>lumpsum</i>						20,000.00	20,000.00	International consultant for final evaluation
Organising NSC/NTAC meetings	74000	Operating Cost	Meeting facilitation / transport cost	<i>Meetings</i>	4.00	300.00	1,200.00	4.00	300.00	1,200.00	2,400.00	4 meetings per year@ \$300
Project Oversight	71600	Travel and Missions	Monitoring missions by UNDP	<i>flights and DSA</i>	4.00	2,000.00	8,000.00	4.00	2,000.00	8,000.00	16,000.00	4 missions per yer@ \$2,000
Office Equipment & Supplies	74000	Operating Cost		<i>lumpsum</i>			8,755.00			8,755.00	17,510.00	Stationary (\$5,500 per year)
Printing and Publication	74000	Operating Cost		<i>lumpsum</i>	1.00	1,000.00	1,000.00	1.00	1,000.00	1,000.00	2,000.00	
GMS fee	71500	GMS	General Project Management	<i>lumpsum</i>	1.00	11,990.00	11,990.00	1.00	5,500.00	5,500.00	17,490.00	
<b>Sub Total Project Management and Operation</b>							<b>82,745.00</b>			<b>96,255.00</b>	<b>179,000.00</b>	
<b>TOTAL</b>							<b>414,745.00</b>			<b>185,255.00</b>	<b>600,000.00</b>	

## Note:

## List of Available accounts:

Input Account	Input Account Title
71200	International Expert
71300	National Staff/Expert
71600	Travel & Missions
72100	Subcontracts
72200	Equipment
74100	Prof Services
74000	Operating Costs

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## ANNEX II (C) SUMMARY BUDGET PER ACCOUNT



**Country:** Kiribati

**Project Title:** Kiribati Trade Capacity Development and Institutional Strengthening Project

**Funded by:** EIF Trust Fund

**Implementing Agency:** Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

Input Account	Input Account Title				Remarks
		Year 1	Year 2	Total	
71200	International Experts	125,000.00	85,000.00	210,000.00	
71300	National Experts	76,800.00	46,800.00	123,600.00	
71600	Travel & Missions	23,000.00	23,000.00	46,000.00	
74100	Professional Services	8,000.00	8,000.00	16,000.00	
74000	Operating Costs	33,955.00	16,955.00	50,910.00	
72100	Sub-contract	124,000.00	0.00	124,000.00	
72200	Equipment	12,000.00	0.00	12,000.00	
71500	General Management Support Fee	11,990.00	5,500.00	17,490.00	
<b>TOTAL</b>		<b>414,745.00</b>	<b>185,255.00</b>	<b>600,000.00</b>	

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## ANNEX II (D) LOGICAL FRAMEWORK



Country: Kiribati

Project Title: Kiribati Trade Capacity Development and Institutional Strengthening Project

Funded by: EIF Trust Fund

Implementing Agency: Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

EIF Tier 1 Phase 2 Updated Log Frame							
	Performance Indicators	Baseline 2015	Baseline in 2019	Target in 2021	Indicator	Means of Verification	Critical Assumptions
<b>Outcome 1: Kiribati owns a Trade agenda conducive to sustainable pro-poor growth</b>							
<b>Output 1.1:</b> Improved evidence-based policy inputs supporting pro-poor trade	Number of Quality Trade Policies updated and implemented	Lack of Trade Policy Framework	Trade Policy Framework developed and adopted in 2018	At least 20 Policy Measures in the Trade Policy Framework implemented by 2021	Number of Trade and Investment Policy and Regulations adopted	End of Project Evaluation Report, Annual Progress Report	Capacity and Leadership of MCIC responsible for trade to implement National Trade Policy
		Lack of Quality Trade Strategies	Existence of Trade Policy, Quality Policy, Investment Policy and IPR Policy	Other Policies like E-Commerce Policy and Cooperative Policy developed by end of 2020		End of Project Evaluation Report, Annual Progress Report, Commerce Policy, Cooperative Policy	EIF Tier 1 Phase 2 project timely approved
		None	Foreign Investment Act, Copyright Act, Investment Policy, Metrology Legislation, Trademark enacted	Stakeholders sensitised on Key trade Policy related laws and regulations to enhance compliance	Number of awareness raising activities conducted ;	End of Project Evaluation Report, Annual Progress Report	Additional resources and technical assistance secured to support the implementation of the priority measures; The Policy measures mainstreamed into new KDP and sector policies to trigger funding support from the national budget
	Number of actions in support of improved legislation and participation in fora	None	Outdated Cooperative Ordinance	New Cooperative legislation enacted by 2021	Enactment of new Cooperative legislation	Annual Progress Report, Cooperative Act	EIF Tier 1 Phase 2 project timely approved
		None	Outdated Consumer Protection Act	New Consumer Protection legislation enacted by 2021	Enactment of new Consumer Protection legislation	End of Project Evaluation Report, Annual Progress Report, new Consumer Protection Act	EIF Tier 1 Phase 2 project timely approved
<b>Output 1.2 :</b> Strengthened institutional coordination of trade and development	NIU integrated into Government System	Very limited capacities to independently formulate, implement and monitor trade policies	Existence of Project Implementation Unit; Trade Division is able to coordinate the implementation of Trade Policy Framework	At least 1 Project position established as part of MCIC organisation Structure	Number of PMU staffs permanently absorbed within MCIC Structure	End of Project Evaluation Report, Annual Progress Report	Government willingness to integrate the Project Management Unit into the organisation structure of MCIC
	Number of public officials (disaggregated by gender and age) trained in trade related areas	None	Inadequate Capacity on verification of Fuel Dispensers as indicated in the Metrology Capacity Development Plan	All fuel dispensers within Kiribati are verified by 2021	Number of Fuel Dispensers verified by 2022	End of Project Evaluation Report, Training Report, Annual Progress Report	EIF Tier 1 Phase 2 project timely approved
		None	Inadequate Capacity to support cooperative development in Kiribati	At least 20 Public Officials trained as TOT on Cooperative development	Verification equipment procured and Atleast 15 Public Officials trained on Verification of Fuel Dispensers by 2021		
					Number of Public Officials (disaggregated by gender and age ) trained as TOT in Cooperative development	Annual Progress Report; Training Report; End of Project evaluation	Public officials willing to upgrade their skills on Cooperative development
<b>Outcome 2: Increase Presence in International Markets</b>							

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## ANNEX II (D) LOGICAL FRAMEWORK



Country: Kiribati

Project Title: Kiribati Trade Capacity Development and Institutional Strengthening Project

Funded by: EIF Trust Fund

Implementing Agency: Ministry of Commerce, Industry and Cooperatives (MCIC) and United Nations Development Programme (UNDP)

EIF Tier 1 Phase 2 Updated Log Frame							
	Performance Indicators	Baseline 2015	Baseline in 2019	Target in 2021	Indicator	Means of Verification	Critical Assumptions
Output 2.1: Support to boost productive capacities and access international markets	Number of new technologies adopted through EIF supported projects	None	Inadequate Technology to support value addition	Processing Centre constructed and equipment procured to facilitate value addition in coconut sector	Volume & value of production generated/increased due to the new processing facility	Annual Progress Report; Training Report; End of Project Evaluation Report	New technologies are available for introduction and accessible. Participants are motivated and devoted to learn about new improved ways of undertaking economic activities
	Number of producers/associations trained in value chain practices in Agriculture and Tourism	None	Inadequate Capacity among the Producers on value addition techniques and market standards	Mauri Mark standards for Tourism developed and at least 50 producers trained on value addition techniques and market standards	Number of producers trained in value chain practices and market standards		Market information available to the producers on quality standards. Training available on Market Standards and value addition techniques
Output 2.2 : Support to EIF Countries to leverage additional funding	Number of projects funded by donors related to the DTIS Action Matrix/Trade Policy Framework	None	Inadequate resources to support the implementation of Trade Policy Framework	At least 3 Aid-for-trade proposals developed and funded	Number of projects funded by development partners related to the action matrix in the Trade Policy Framework	Annual Progress Reports, End of Project Evaluation Report	Ability of MCIC to engage donors on national trade agenda
					Number of actions undertaken by EIF Partners in support of leveraging finance and expertise		

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**Annex III- UNDP HACT guidelines :**

Link:

<https://popp.undp.org/SitePages/POPPSubject.aspx?SBJID=167&Menu=BusinessUnit>



EIF-T1P2-KIR-001

**AGREEMENT BETWEEN THE UNITED NATIONS OFFICE FOR PROJECT SERVICES AND THE UNITED NATIONS DEVELOPMENT PROGRAMME FOR THE KIRIBATI TRADE CAPACITY DEVELOPMENT AND INSTITUTIONAL STRENGTHENING PROJECT TIER 1 PHASE 2 FUNDED UNDER EIF PHASE 2**

**Annex II :EIF Board Approval Message**

**04 (including cover page)**

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EIF - TFM

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## Executive Director approved TIER I proposal, Kiribati

1 message

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**noreply@enhancedif.org** <noreply@enhancedif.org>  
To: feridb@unops.org

29 July 2020 at 15:10

Dear TFM Executive Officer,

Please be informed that an institutional capacity building project **TIER I** entitled **Kiribati trade capacity development and institutional strengthening project - Tier 1 Phase 2** from Kiribati has been approved subject to all the recommendations with the following details:

**Country:** Kiribati

**Project Title:** [Kiribati trade capacity development and institutional strengthening project - Tier 1 Phase 2](#)

**MIE:** UNDP Pacific Office

**Approved amount:** 600,000 \$

**Duration:** 2 year(s)

**Objectives:** The objective is to strengthen the capacity of institutions and stakeholders to implement trade policies that support poverty reduction, inclusive economic growth, equitable sustainable development and wealthy economy in line with the government's 20-Year vision development plan (KV20) 2016-2036. The project will support the operations and activities of the Ministry of Commerce, Industry and Cooperatives, which is the lead agency responsible for coordinating the formulation and implementation of trade-related policies in Kiribati. The project will also help in mainstreaming trade into national development strategies and to improve donor coordination and promote Aid for Trade delivery.

**Results:** The initiative will contribute to achieving the following key results:

- Improved evidence-based policy inputs supporting pro-poor trade;
- Strengthened institutional coordination of trade and development;
- Enhanced human capacity for trade and development;
- Support to boost productive capacities and access international markets;
- Support to EIF countries to leverage (directly and indirectly) additional funding.

**Brief description:** The Phase 2 of the EIF Tier 1 project supports Kiribati to benefit from trade by developing national capacities to implement and assess trade related strategies that are aligned with the Kiribati Development Plan and the 20-Year vision Development plan (KV20). This phase is a continuation of Phase 1 of the project, building on the achievements realized to date, aiming at strengthening the capacity of institutions and stakeholders to implement trade policies that support poverty reduction, inclusive economic growth and equitable sustainable development. In doing so, the project will address institutional capacity constraints by encompassing sustainable development and gender perspectives.

The project will help Kiribati to develop its inclusive trade development agenda in

order to spread the benefits of trade to all I-Kiribati as envisaged in its Trade Policy Framework 2017- 2027 and KV20. The project is expected to enhance linkages between trade, human development and poverty reduction. The project will adopt a whole of government approach to mainstreaming trade and aid coordination. It will support the inclusive participation of stakeholders in trade policy implementation. The project will be implemented by the Project Management Unit at the Ministry of Commerce, Industry and Cooperatives in collaboration with UNDP as the Main Implementing Entity.

**The recommendations include:**

Recommendation 1 - There is no dedicated Monitoring and Evaluation plan. It is recommended that within the first 3 months of the project a brief M&E plan should be shared with the ES and TFM.

Recommendation 2 - The items listed below are derived from the EIF programme log frame (please access for reference). Each item has a corresponding recommendation. Please re-submit an updated version of the project's log frame within three months of approval. - Log frame Indicator 1.2.b. We recommend to explicitly include an indicator relating the strengthening of public-private coordination mechanism. - Log frame indicator 1.2.c. We recommend the inclusion of an indicator tracking donor-government coordination mechanism. - Log frame indicator 1.3.a. Please capture the recruitment of a national expert on CSDS and the staffing of Project management Unit in the project logframe and set specific targets. - Log frame indicator 1.3.b. We recommended the inclusion of training of CSO and private sector actors, especially with regards to cooperative development and even consumer protection trainings. - Log frame indicator 1.3.c. Include more details on the main stakeholders that will be targeted under Output 1.1 ("Stakeholders sensitized on Key trade Policy related laws and regulations to enhance compliance") of the logframe. Please add a target to explicitly state/name the policies, (including the Investment Policy Framework) that would be part of the planned sensitization. Also explicitly mention the stakeholders (eg.private sector, CSOs etc.) and provide a measure (number to be sensitized by 2021). - Log frame indicator 2.1.b. We recommend the inclusion of an indicator on environment in the logframe. - For log frame indicator 2.1.c. ; indicator 2.1.d. and indicator 2.1.g. ; consider disaggregating by sex and youth, the number of planned beneficiaries. - Log frame indicator 2.1.f. we recommend the inclusion of indicators on trade facilitation actions. - Log frame indicator 2.2.b. Please add an indicator on technology promotion and adoption.

Recommendation 3 – It is recommended that within 3 months of the project initiation that a Communications plan be submitted to the ES and TFM. It is advised that the communications plan be spearheaded by the UNDP Communications Officer and the EIF Project Officer in Kiribati. Please be mindful of including specific activities of the workplan (ex: Sensitization of stakeholders on trade policy related laws).

Recommendation 4 – Kiribati is formulating a project on Quality and Standards Infrastructure. Concomitantly, there are initiatives in the region that are complimentary and can serve as a catalyst for quality and standards. It is recommended that the Government of Kiribati uses the NTAC as a fora for discussion and resources mobilization for these projects. The NTAC should be used as an institutional structure for exchanges with development partners, and specifically aim for concrete results in this area.

Recommendation 5 – Sustainability of results beyond the lifecycle of the project needs to be ensured. It is recommended that the staff that coming to the project now – ex: PMU's Accountant and Project Manager – be familiarized with EIF and UNDP processes and procedures as soon as possible. The Government of Kiribati should initiate planning for absorbing all project staff under EIF funding within the first 6 months of the project.

TFM Recommendations Before the MoU signature: Recommendation 1 – UNDP is acting as the Donor Facilitator for this project which triggers a conflict of interest; therefore a Board waiver is to be obtained prior to the MoU signature (The rec should be removed subject to TFM reception of the above mentioned Board waiver).

After the MoU signature: Recommendation 2 – Within 1 month following the MoU signature, the proposal should underline the lessons learned on capacity building as well as the fiduciary approach undertaken by UNDP for the capacity building of the NIU during T1P1. Recommendation 3 – Within 1 month following the MoU signature, the MIE should further elaborate on mitigating COVID risks and fiduciary risks and to utilize the Risk Action Plan template issued in ES\TFM communications in April within the COVID context.

You are requested to enter into the legal agreement with the UNDP Pacific Office, as the main implementing entity.

The project will become effective upon signature of the Memorandum of Understanding by the Parties.

If you wish to know more details about the project, you can consult the relevant project in the MIS.

Best regards

EIF - MIS

This message is generated by the EIF MIS and does not require any signature.



EIF-T1P2-KIR-001

**AGREEMENT BETWEEN THE UNITED NATIONS OFFICE FOR PROJECT SERVICES AND THE UNITED NATIONS DEVELOPMENT PROGRAMME FOR THE KIRIBATI TRADE CAPACITY DEVELOPMENT AND INSTITUTIONAL STRENGTHENING PROJECT TIER 1 PHASE 2 FUNDED UNDER EIF PHASE 2**

**Annex III :Project Closure Checklist**

**04 Pages (including cover page)**

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**ANNEX I- PROJECT CLOSURE CHECKLIST***(to be filed by the NIU/MIE and shared with the TFM)**(Please follow the colour code)*

<b>Status</b>	<b>Closing Matters</b>	<b>Comments on Status</b>
<input checked="" type="checkbox"/> Done <input type="checkbox"/> On going <input type="checkbox"/> Not Done	<b>Termination of staff contracts</b> - Formal notification of contract end date in line with the terms of the contract - Prepare and plan staff contract termination and final payments - Identify Ministry counterpart for final handover	
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Termination of project consultant contracts</b> - Formal notification in line with the terms of the contract - Collect and verify/accept consultant deliverables (as applicable) and undertake final payment - Identify Ministry counterpart for final handover	
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Termination of project subcontracts and subgrants</b> - Formal notification in line with the terms of the contract - Collect and verify subcontract/subgrant deliverables (as applicable) and undertake final payment - Identify Ministry counterpart for final handover	
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Payment of outstanding final invoices and unliquidated obligations</b> - Project coordinator and project finance officer to review all outstanding financial commitments and take appropriate action - Final budget revision (if necessary)	
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Final project evaluation</b> - Ensure plan is in place for the undertaking of the final project evaluation, including Ministry counterpart - Finalization of final project evaluation, submission to ES and TFM and uploading on the MIS	
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Final financial report</b> - Ensure plan is in place for the undertaking of the final financial report, including Ministry counterpart - Finalization of final financial report, submission to the ES and TFM	
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Final technical narrative report</b> - Ensure plan is in place for the undertaking of the final narrative report, including Ministry counterpart - Finalization of final narrative report, submission to the ES and TFM and uploading on the MIS	

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Status	Closing Matters	Comments on Status
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Project completion report</b> - Ensure plan is in place for the undertaking of the project completion report, including Ministry counterpart - Finalization of project completion report, submission to the ES and TFM and uploading on the MIS	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Final project audit</b> - Ensure plan is in place for the undertaking of the final project audit (either with Ministry or OAG counterpart) - Finalization of final project audit, submission to TFM	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Transfer of project assets</b> - Project team to prepare a table identifying all project assets, their future destination and means of transfer - transmission of a copy of the table to TFM - Ensure plan is in place for the oversight of the transfer of project assets	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Closing of project bank account (as applicable)</b> (not applicable if the account will be used by other EIF projects)	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Return of unspent balances to the EIF TF (as applicable)</b>	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Project record-keeping</b> - Prepare and review project records - Final handover to Ministry counterpart	

**EIF NIU Coordinator or MIE Officer**
**Name:**
**Signature:**
**Date:**
**Comments:**
**Legend:**
: Done

: In progress

: Not done

EIF - TFM
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