

Bi-Annual Report for Kiribati Coconut April 2018 to October 2018

Project Title: Enhancing Inclusive Sustainable Economic Development through Coconut Sector Development

Country: Kiribati

Partners: Ministry of Commerce, Industry and Cooperation; UNDP Pacific Office in Fiji

Approved Budget: US\$ 315,000

Duration: January 2018 – December 2019

Overview

The overall goal of the project is to foster income generation for smallholder farmers, improve their livelihoods through value-added coconut products, while contributing to the inclusive sustainable economic development as envisaged in the national development strategy.

The project will support the development of the Coconut Sector Strategy and finalise the roadmap to engage smallholder coconut farmers along the coconut value chain with identification of commercially viable value adding opportunities along the chain.

Results (Intended Outcomes)

- Develop Coconut Sector Development Strategy with a focus on value-adding services to benefit smallholder coconut farmers.
- Establish multi-stakeholder platform with strong linkages with Asian and Pacific Coconut Community (APCC) and the Secretariat of the Pacific Community.
- Conduct feasibility study for the production of virgin coconut oil in order to develop a viable project in selected outer islands.

Link to National Strategies and Priorities

Developing the coconut sector will address the Key Priority Area 2 of the Kiribati Development Plan 2016-2019 on economic growth and poverty reduction. It also contributes towards the implementation of the National Quality Policy 2017-2023, which seeks to enhance trade competitiveness by improving quality and standards of the products in sectors where Kiribati has a comparative advantage such as coconut sector. The Government of Kiribati recently embarked on a 20-year Development Plan (2016 – 2036) to develop economic activities on the outer islands, through the creation of new industries and improved trade with a view of enhancing inclusive growth, sustainable development, and poverty reduction.

Contributing most directly to SDG 2

The need to formulate the strategy is informed by the fact that socio-economic value of the coconut industry is globally recognized, given its ability to stimulate product diversification and improve livelihoods in the Small Island States, especially in the Pacific, with limited land resources. Coconut is known to have a central role in the diets of Pacific people and is vital in contributing to food security, health promotion, and sustainable livelihoods. The motivation towards the development of the coconut sector is also triggered by the new interest in coconut related products such as virgin coconut oil (VCO), coconut oil for electricity generation and transportation, coconut water, coconut sap sugar, timber products and toddy amongst others. The aforementioned products present new opportunities for new growth in the coconut industry.

Results: April to October 2018

A. Finalization of Project Document

In compliance with the Local Project Appraisal Committee (LPAC) requirements, the final draft of the Project Document titled 'Enhancing Inclusive Sustainable Economic Development through Coconut Sector' was shared with LPAC members comprising of UNDP and government representatives from Kiribati. This was conducted electronically on Friday March 02, 2018 and the LPAC meeting actually took place on Saturday March 10, 2018 in Tarawa, Kiribati. This LPAC meeting was chaired by the Secretary of Ministry of Commerce, Industry & Cooperatives.

B. Recruitment of Coconut Strategy Experts

Development of a Coconut Sector Development Strategy is the major output for this project, aiming to provide a holistic approach towards the development of the priorities within the coconut value chain. The strategy will identify the gaps and potential areas of coconut value chain that can be considered in the development of the value added products. It is expected that the strategy will identify possible capacity needs for short and medium term capacity development programmes especially on value-added initiatives. A Team Leader and a Deputy Team Leader were recruited in September, 2018 as technical specialists under this output and both are preparing for their first Mission to Kiribati in early November. Their first deliverable is a draft Diagnostic Report informing the formulation of the Coconut Strategy and is due by mid-December.

C. Recruitment of Feasibility Study Expert

Kiribati government had identified the production of virgin coconut oil (VCO) as one of the viable value added products that could be implemented in selected outer islands. In addition to VCO production, the project hopes to assist women handicraft producers to acquire modern production skills to improve the quality of relevant products. This requires a Feasibility Study, to advise on the viability of the projects to be implemented in these islands. Terms of Reference (TOR) for the Feasibility Study Expert has been finalized by UNDP and Ministry of Commerce, Industry and Cooperative, the government counterpart. Recruitment process is now on-going and Expert is expected to be on board by December, 2018.

Signed



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