

MAPPING: KEY FIGURES

NATIONAL REPORT: KIRIBATI

ICA-EU PARTNERSHIP

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Republic of Kiribati- Key Figures National Report

I. Introduction and context

This report is part of a global mapping exercise launched by the International Cooperative Alliance (ICA) and its regional offices within a partnership signed with the European Commission for the period 2016-2020, which aims to strengthen the cooperative movement and its capacity to promote international development. Other research projects include a worldwide legal frameworks analysis, and several thematic researches on themes of significance for cooperatives.

Responding to challenges and existing knowledge gaps facing the cooperative movement, this research provides exhaustive information on cooperatives worldwide. This has been achieved by collecting the input of ICA members through an online questionnaire, and completing it with relevant national statistics, in order to obtain an accurate picture of the national situation. Mapping out cooperatives in each country provides a more precise picture of the cooperative context at national and regional levels, enhances the movement's visibility, networking, partnerships opportunities, as well as advocacy, and empowers cooperators by providing them tools for positive change.

Within this framework, the present report showcases information about the cooperative landscape in the Republic of Kiribati, hereafter referred as Kiribati.

i. Historical background

The cooperative movement in Kiribati dates back to the 1950s. Over the years, cooperatives in production-centric sectors like fisheries, tourism and coconut, have grown with government support and increase in subsidies. Strengthening the performance of cooperatives is in line with the government's long-term developmental plans, the Kiribati 20-year Vision (KV20) from 2016-2036. The government has updated manuals and regulations to promote cooperatives as instruments for improving private sector activity and sustainable development. With a 94% increase in the number of cooperatives in the last 40 years, they play an important role in furthering the achievement of Sustainable Development Goals (SDGs) in the country.

Cooperative stores in villages were promoted by the British colonial government in the 1950s to buy and sell imported food items and copra (coconut kernel). In 1966, the Gilbert and Ellice Islands Cooperative Federation was established. It actively traded with the commercial company set up by Oxfam from 1969 to 1971.

When the Colony of Gilbert and Ellice Islands was divided into Kiribati (Gilbert Islands) and Tuvalu (Ellice Islands) in 1975, there were 15 registered cooperatives in Kiribati. In 1977 when Kiribati gained independence, new legislation was enacted to promote wholesale and retail cooperatives as the economy was dependent on imported goods. By the end of the 1970s, there were 44 registered cooperatives with about 80% of them engaged in copra and cargo retailing.

Through the 1980s, cooperatives controlled the domestic wholesale market. The Kiribati Cooperative Wholesale Society (KCWS) became the frontrunner of the movement. By 1984, KCWS had annual sales worth USD 6.03 million (AUD 7 million) and was exporting food items. This monopoly led to an increase in membership, with around 40% of the population involved in cooperatives. By the late 1980s, consumer loyalty to cooperatives weakened due to mismanagement by committees and dwindling funds led to collapse of many cooperatives. Large-scale, family-owned private businesses flourished due to increased access to credit. Only 5 new cooperatives registered in the 1990s due to the public's negative perception.

The government took an interest in cooperatives and post-2000, cooperatives expanded into housing rental, shipping and other sectors. Farmers' cooperatives were set up on most islands and managed independently by the farmers themselves. The Kiribati Copra Development Ltd. was established as a cooperative in 2000 to centralise the export of copra. In 2008, some local copra cooperatives received control of government-owned commercial processing and exporting operations. Fisheries cooperatives were also established to run government-built refrigerated fish collection and shipment centres. In 2009, the government started conducting training for cooperators from the outer islands to make virgin coconut oil, preserving foods, plant food crops, copra production and livestock management. In 2016, the Ministry of Finance and Economic Development requested Ministry of Commerce, Industry and Cooperatives (MCIC) to develop a National Cooperative Policy to guide government decision-making in line with KV20. In 2017, consultations began to review and amend cooperative registration and auditing requirements to increase transparency. The Kiribati Trade Policy Framework 2017-2027 also mentioned development of cooperatives as a way to make communities economically sustainable. The cooperative movement received a boost in 2018 as it expanded beyond copra cooperatives to producers in fisheries and agriculture, while also promoting service-oriented cooperatives in the tourism industry. In 2019, the cabinet approved the proposals to amend outdated cooperative legislation. The process to amend is underway.

ii. Public national statistics

For a more comprehensive picture of the cooperative movement in Kiribati, the present section provides key data from the country's public registers as a useful background context to the ICA members' data showcased in Section II of the report.

The National Statistics Office is established under The Ministry of Finance and Economic Development (MFED). MCIC maintains the data for cooperatives in Kiribati. Inadequate management information systems-collection of up-to-date statistics to make informed decisions, public dissemination of statistics through a better centralised information system, are the areas of improvement for public availability of cooperative statistics in Kiribati.

The following statistics are from MCIC.

NUMBER OF COOPERATIVES:

In 2019, there were 425 cooperatives.

EMPLOYMENT:

In 2019, there were 888 employees in cooperatives.

COOPERATIVE MEMBERSHIP:

In 2019, there were 8,981 members in 425 cooperatives.

PRODUCTION VALUE:

In 2019, cooperatives contributed 5% to the national GDP of Kiribati.

iii. Research methodology

The aim of the mapping research is to collect and make publicly available reliable and up-to-date data to understand what the cooperative movement represents in the targeted country. With this view, the data detailed in the present report has been collected using the methodology detailed below.

The methodological tools include a questionnaire used to collect the data, which was distributed online to the members, as well as a methodological note provided for further guidance. They were built jointly with all ICA regional offices with the support of external experts from the European Research Institute on Cooperative and Social Enterprises (Euricse) and are applied in a harmonised way in all the target countries.

The classifications used in the research are consistent with the internal system used within the ICA movement (e.g. on membership status and types of cooperative organisations) and with standards increasingly adopted in recent studies and by international organisations like the ILO – e.g. using international classifications of economic activities such as the International Standard Industrial Classification (ISIC) rev. 4, which ensures the comparability of statistics both nationally and internationally, as well as with statistics on other forms of enterprises.

Regarding the target organisations, considering that a worldwide survey has very challenging goals, and while the value of directly collecting data from non-member cooperatives must be recognised, the present Mapping exercise targets cooperative organisations members of the ICA.

Furthermore, in order to complete the ICA members' data, the decision was taken to also look at external sources, to provide additional and more exhaustive cooperative statistics for the country. As a result, the data is collected following two strategies contemporaneously: 1) collecting statistics already available in the country; 2) carrying out a survey targeting ICA cooperative members.

In Kiribati, the Mapping questionnaire, was distributed to, and completed by one ICA member organisation in the country. After some additional follow-up and clarifications from the member, the figures provided were compiled to be presented in the next section.

II. Key figures

This section presents the results of the data collection directed by the ICA members.

Kiribati has one ICA member organisation:

Ministry of Commerce, Industry and Cooperatives (MCIC):

MCIC: Established in 1995, it is the main regulatory and promotional authority for cooperatives in Kiribati. Its main functions are to enhance the development of the private sector including cooperatives and credit unions; provide business and cooperative training; audit cooperatives and credit union societies; enhance the flow of foreign investment; and promote and regulate business trade. It became a member of ICA in 2019.

i. ICA member data

The data collected was provided by MCIC for the year 2019. While a significant portion of the questionnaire was completed, data could not be provided for the following variables:

- Gender-disaggregated data for employment in cooperatives represented
- Proportion of youth membership and employment in cooperatives represented
- Sector-wise data of membership and employment in cooperatives represented

ii. General overview

The present section provides an overview of the ICA membership data for MCIC. It is displayed in several categories and with the support of graphs, for clarity purposes.

Category	Total (as of 2019)
Number of cooperatives represented	425
Number of memberships of cooperatives represented	8,981
Number of female memberships in cooperatives represented	6,286 (70%)
Number of employees of the cooperatives represented	888

Table 1: Statistics received from MCIC (2019)

ICA member, MCIC represents 425 cooperative societies in Kiribati with a total number of 8,981 memberships and total number of 888 employees.

iii. Sectoral overview

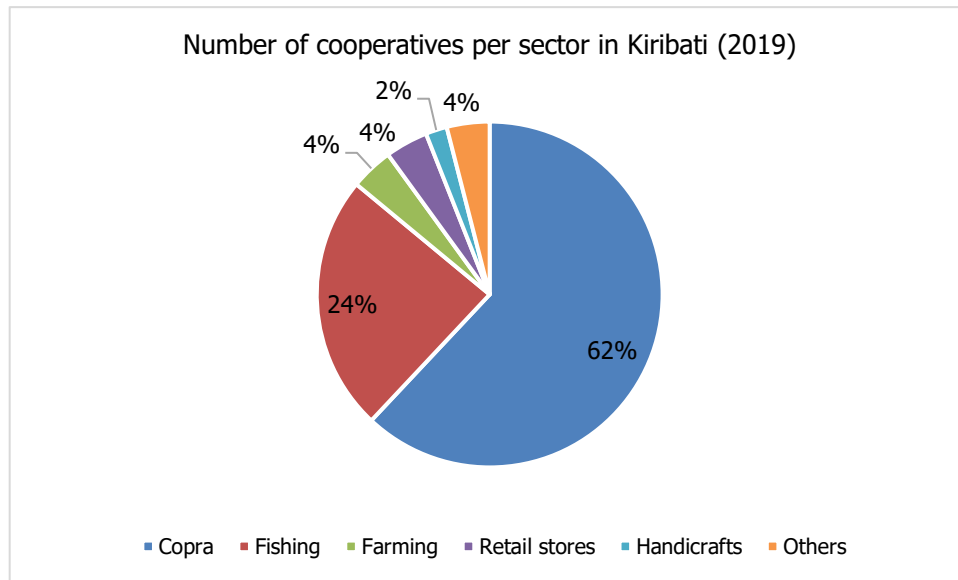
The sectors used below correspond to the categories used in the ISIC rev. 4. to classify the economic activities carried out by the organisations concerned. While the exact number of cooperatives in each sector is not known, percentage of cooperatives present in each sector is provided below:

Sector	Agricultural and food			Wholesale and retail trade		Others
	Copra	Fishing	Farming	Retail stores	Handicrafts	Rental, shipping and others
Percentage of cooperatives	62%	24%	4%	4%	2%	4%

Table 2: Statistics received from MCIC (2019)

III. Graphs

i. Number of cooperatives per sector



Graph 1: Statistics received from MCIC (2019)

IV. Annexes

Sources and contacts are listed below.

Sources

1. The public national statistics for Kiribati were provided by The Ministry of Commerce, Industry and Cooperatives (MCIC).
2. ICA-AP (2020). [Kiribati country snapshot](#)
3. [Kiribati Social and Economic Report 2008: Managing Development Risk](#)
4. [Kiribati Development Plan 2016-19](#)

Contacts

Further details on the Mapping research and other country reports are available on www.coops4dev.coop

The production of this report was overseen by staff from ICA-AP Office. For any further information or clarification, please contact mappingresearch@ica.coop

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