Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 24-Aug-2021 | Report No: PIDC32135

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Parent Project ID (if any)	Project Name
Kiribati	P176108		Kiribati Digital Government Project (P176108)
Region	Estimated Appraisal Date	Estimated Board Date	Practice Area (Lead)
EAST ASIA AND PACIFIC	Nov 29, 2021	Mar 24, 2022	Digital Development
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing	Ministry of Finance and Economic Development	Ministry of Information, Communications, Transport and Tourism Development	

Proposed Development Objective(s)

To build the foundations and strengthen the Government's technical and institutional capacity for digital public service delivery.

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	12.00
Total Financing	12.00
of which IBRD/IDA	12.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	12.00
IDA Grant	12.00

Environmental and Social Risk Classification	Concept Review Decision
Moderate	Track II-The review did authorize the preparation to

	continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Kiribati is one of the world's most remote and geographically dispersed nations**. The country consists of 33 coral atolls spread over approximately 3.5 million square kilometers of ocean with up to 3,700 km between the farthest islands in three main island groups: The Line Islands, Phoenix Islands and Gilbert Islands. It is located at the Equator and the International Date Line. Kiribati's total land area is less than 800 square kilometers, comprising almost half of which is Kiritimati (Christmas) Island, at the eastern extremity of the country (about 800 km west of Hawaii). The population of about 119,940 (2020 census, preliminary results) lives on 22 coral atolls and a single volcanic island, with population growing at a long-term rate of 1.5 percent p.a. The capital, South Tarawa, is the most populated island with approximately 63,439 people (2020 census, preliminary results), and is about 4,000 kilometers from the major trade markets of Australia and New Zealand. The populations of Kiribati's outer islands vary from around 330 (Banaba) to 7,380 (Kiritimati Islands and North Tarawa), with about 45 percent of the country's population living in rural areas.

2. **Most of Kiribati's islands are only a few hundred meters wide, no more than two meters above average sea level, and at risk of climate change**. The effects of sea level rise, storm surge, coastal erosion and saltwater intrusion increase Kiribati's vulnerability, in particular the viability of its coastal fisheries and related natural resources, given that most of its atolls are only 1.8 meters above sea level. A United Nations study looking at relationships between household vulnerability and climate change reported that 81 percent of the interviewed households had been impacted by rising sea levels within the period 2005 to 2015, and that saltwater intrusion impacted just under half of all households. All the other hazards (storm surges, floods, and droughts) were reported more frequently in the outer islands than in South Tarawa.

3. **Kiribati has a limited economic base dominated by the sale of fishing licenses, remittances, aid flow, and investment income from its sovereign wealth fund—the Revenue Equalization Reserve Fund**. In common with other small island atoll states, it faces obstacles posed by remoteness, lack of scale, and vulnerability to external shocks and environmental stress. Severe infrastructure deficits in utilities, transport and communications compound the constraints imposed by distance and dispersion. Fishing license revenues from foreign tuna fishing fleets are the main source of public revenue and national income, and the economy is dominated by the public sector, small-scale fishing, and coconut farming. Only around 20 percent of the country's population is formally employed in the cash economy, with 80 percent of jobs provided by the public sector. Temporary labor schemes in Australia and New Zealand still represent some of the best employment opportunities available to I-Kiribati workers. Unemployment among women and female youths is higher than for males. Fishing is of central social,

economic, and cultural importance and women play a major role in the sector (for example, they are responsible for up to 99% of the market sales of fish)[1] but remain underrepresented in commercial coastal fisheries and local decision-making bodies. Prevalence rates of gender-based violence in Kiribati are high, with 68 percent of women aged 15-49 who have been in a domestic partnership having experienced physical or sexual violence. Food security relies largely on subsistence agriculture and fisheries, with increasing sea temperatures are already placing strain on the coastal marine habitats that many I-Kiribati rely on for food and livelihoods. Given Kiribati's limited domestic production ability, it must import nearly all of its essential foodstuffs and manufactured items (imports were 10 times exports in 2016).

4. **GNI per capita has grown in recent years, but human development indicators remain low**. GNI per capita has experienced a level shift since 2013, with a dramatic increase in government revenue from fishing licenses. GDP per capita was estimated at US$1630 in 2018, while GNI per capita sat at US$3190, indicating that Kiribati will soon graduate from United Nations Least Developed Country status. Prior to the COVID-19 outbreak, Kiribati's economy performed well with an average annual real GDP growth rate of 4.75 percent in 2015-19, up from about 1.5 percent during 2000-14 (IMF 2021). The stronger growth reflected in part higher public spending financed by record-high fishing revenue – about 75 percent of GDP in 2015-19, up from a 25 percent historical average. Despite improvements in revenues in recent years, Kiribati's Human Development Index ranking is 134 out of 189, and Human Capital Index ranking is 106 out of 157, both amongst the lowest in the Pacific region. Kiribati remains at high risk of debt distress, with public domestic debt estimated at 2.4 percent of GDP as of end-2015, while gross public external debt was estimated at about 22 percent of GDP.[2] The 2019/20 Household Income and Expenditure Survey (HIES) results are not yet available to shed light on poverty and inequality trends. However according to the last available Household Income and Expenditure Survey (HIES) conducted in 2006, poverty was widespread in Kiribati at about 22 percent.

5. **Geographic isolation and a decisive policy response have prevented severe health impacts from the COVID-19 pandemic, though the disease could spread widely and rapidly should it reach the country.** Kiribati has had no cases of the virus to date, thanks to the swift introduction of travel restrictions in January 2020 and the subsequent complete closure of the border in March 2020. However, COVID-19 and the associated border disruptions have highlighted vulnerabilities in the reliance on imports for food security, with border closure having significant economic impacts through contraction in services including restaurant and hotel services, transportation, and other business activities. Planned large investment projects were delayed because of restrictions on the movement of personnel and materials. Real GDP is estimated to have declined by 0.5 percent in 2020 with fishing revenues declining by about 16 percent (IMF 2021). With restrictions gradually being lifted, an economic recovery is expected with a projected real GDP growth of 1.8 percent in 2021. A worsening of the COVID-19 pandemic that prolongs costly containment measures would adversely impact economic activity as the planned resumption of infrastructure projects and activity in the services sector are further delayed. Global financial conditions could also

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[1] See National Fishery Sector Overview Kiribati by FAO http://www.fao.org/tempref/FI/DOCUMENT/fcp/en/FI_CP_KI.pdf
[2] The assessment of high risk of debt distress reflects Kiribati's limited capacity to take on debt, given its low potential growth and narrow export base. Containing the risk requires securing grants rather than concessional loans to finance the country's large development needs, invest in physical and human capital to raise productivity diversify exports, and raise long-term growth.

tighten in response to adverse COVID-19 developments and affect the expected return on Kiribati's Revenue Equalization Reserve Fund (RERF) and the Kiribati Provident Fund (KPF), putting pressure on fiscal resources. Improvements in public financial management are needed to make public spending more effective in addressing Kiribati's development challenges.

Sectoral and Institutional Context

6. **Kiribati has made significant progress over the past decade to create market conditions and rollout new infrastructure necessary to support the digital economy**. The Communications Act passed in 2013 and its subsequent amendment in 2016 established a framework for liberalizing the ICT sector and enabling an open competitive market. The Act established the Communications Commission of Kiribati (CCK) as the sector regulator. CCK has since developed a comprehensive set of rules and operating procedures including for operator licensing; type approval rules to set standards for telecommunication devices to be used in Kiribati; radiocommunications licensing; radio frequency spectrum plan; numbering rules (providing for eight digit based services and number portability); interconnection rules; consumer protection; and universal service. CCK and the Ministry of Information, Communications, Transport and Tourism Development (MICTTD) have also undergone institutional strengthening, and the latter has detailed new policies for the ICT sector, including on e-Government. On broadband infrastructure, with the support of the ongoing IDA-financed Kiribati Connectivity Project (P159632), the government is undertaking a submarine cable system to connect Kiribati (South Tarawa), Nauru and the Federated States of Micronesia/FSM (Kosrae-Pohnpei) with onward connectivity from Pohnpei to Guam (US) via the HANTRU-1 cable, as part of the East Micronesia Cable system (EMCS). In 2017, the government established a new company BwebwerikiNET Ltd (BNL) tasked with operating submarine fiber optic cables running to Tarawa and Kiritimati Islands, and enhancing telecommunication infrastructure on the outer islands. An ADB-financed Southern Cross NEXT cable spur to Kiritimati Island is underway with RFS planned for Q1 2022, meanwhile outer islands will continue to rely on satellite backhaul.

7. **International connectivity and access to high-speed Internet are however still limited, constraining the ability of individuals and businesses to unlock the full potential of a digital economy.** International connectivity is still a challenge, with currently only satellite communications available. National capacity as of November 2020 was more than 1,200Mbps – up from 100 Mbps (80/20) in 2016. The deployment of the proposed EMCS submarine cable is currently pending decisions by the governments of Kiribati, Nauru, and the Federated States of Micronesia (FSM). Once deployed, access to capacity on the submarine cable system would need to be guaranteed on transparent, non-discriminatory, and cost-based terms. Terrestrial fixed and wireless services, sometimes referred to as middle and last mile services, are also needed to connect users to the Internet. Four outer islands still remain to be connected. As of 2020, households with broadband Internet access stood around 12% with a fixed-broadband subscription rate per 100 inhabitants of 0.2 (World Bank Study) –
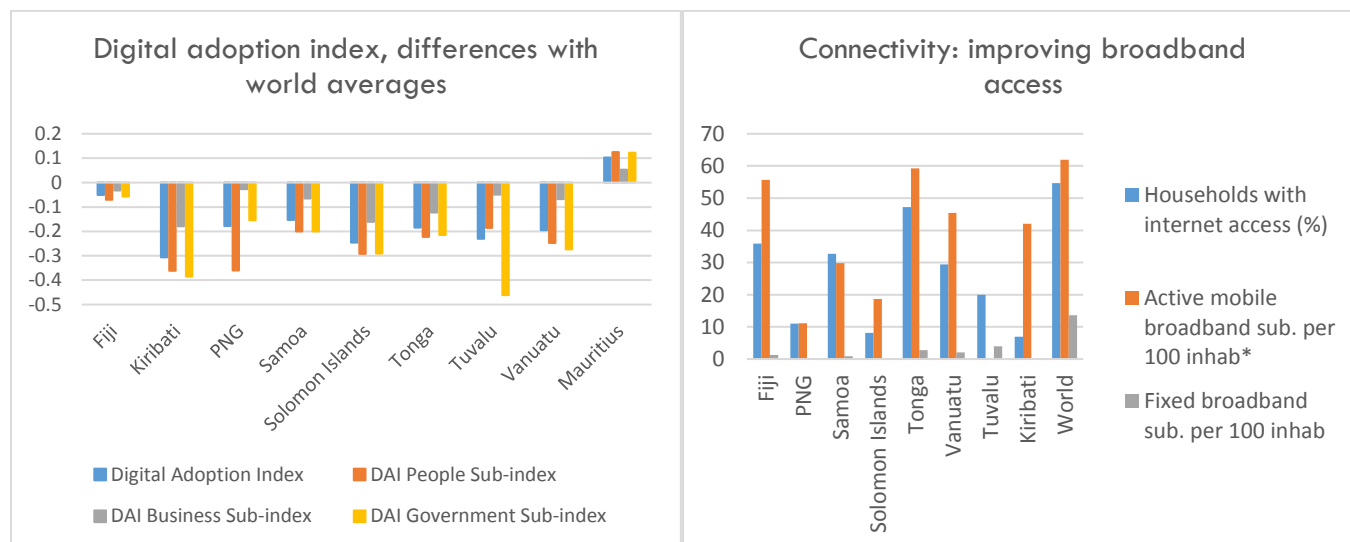
UN E-Government Rankings for the Pacific Region
(out of 193 countries)

| Country	Rankings		
	2016	2018	2020
Australia	2	2	5
New Zealand	8	8	8
Fiji	96	102	90
Tonga	105	109	108
Palau	111	111	125
Vanuatu	149	137	142
Kiribati	*145*	*153*	*145*
Samoa	121	128	149
Marshall Islands	156	149	156

Source: UN E-Government Surveys 2016, 2018, 2020

among the lowest rates in the Pacific. With a UN e-Government ranking of 145 out of 193 countries worldwide, Kiribati also ranks among the lowest for the region.

Digital adoption index, differences with world averages

Connectivity: improving broadband access

8. **Recent years have seen an increasing demand for mobile Internet services**, with over 55,000 mobile subscribers – about 48 percent of whom are 3G or 4G users. As of 2020, basic mobile phone penetration stands at about 47 percent of the population in 18 (out of 22 inhabited) islands, with mobile networks covering about 85 percent of the population (3G/4G geographical coverage). About 87 percent of households belonging to the highest wealth quintile have access to Internet when compared to only 14 percent of households from the lowest wealth quintile. The affordability target for entry-level broadband services in developing countries is less than 2 percent of monthly gross national income per capita (ITU – United Nations Educational, Scientific and Cultural Organization/UNESCO Broadband Commission). Globally in developing/emerging markets, mobile broadband services typically cost below US$1 to US$5 per GB. In the context of Kiribati, owing to reforms carried out by Government in the ICT sector and through the introduction of competition, mobile broadband service affordability is at about 5.2 percent of monthly gross national income per capita, with indicative costs of bandwidth being US$3.00 per GB. According to the Kiribati Social Development Indicator Survey (2018-19), 7 in 10 households own mobile phones. Two in every five households have radio and Internet at home, and 31 percent had computers. Mobile phone usage among women is higher compared to men (60 percent for women and 53 percent for men). One in every two women uses the Internet when compared to two in every five men. 30 percent of men versus 24 percent of women have specific ICT skills in at least one of nine activities, including sending e-mail attachments and using copy/paste.

Mobile Technology Deployment
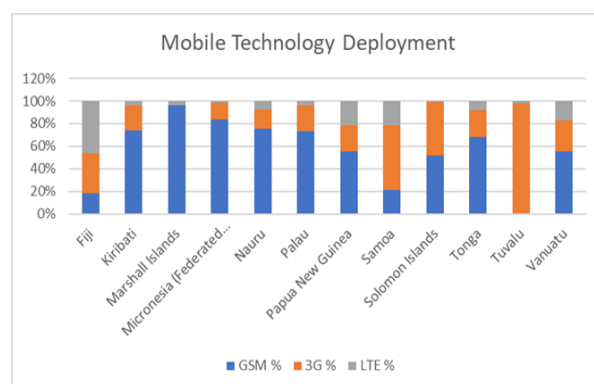
	Kiribati	Samoa	Tonga	Solomon Islands
ICT Penetration- 2019	47	72	100	72
Affordability (%GNI/capita) 2019	5	5.7	2.5	16
ICT Price Basket Analysis Ranking 2016	183rd	148th	70th	190th
ICT Price Basket Analysis Ranking 2017	170th	112th	131st	175th
Improvement in Ranking over year	13	36	-61	15
			source: https://www.itu.int/net4/ITU-D/ipb/	

9. **The Government of Kiribati has continued to demonstrate its commitment to sector reform and development.** Government undertook reform of the state-owned monopoly incumbent, Telecom Services Kiribati Ltd (TSKL) through a sale of most of its assets (completed 26 May 2015), and through a competitive process, licensing of two new mobile operators as well as several other Internet and gateway providers. The purchaser of TSKL's assets, Amalgamated Telecom Holdings Kiribati Ltd (ATHKL), owned by the Amalgamated Telecom Holdings (ATH) group in Fiji, is now well established and growing the local market. As part of the World Bank funded Kiribati Telecommunications and ICT Development Project (P126324), operators were invited to bid for provision of service to four outer islands. This has worked well in increasing coverage of 3G services to those islands. The Government has now adopted the same model for expansion of services to other outer islands and both ATHKL and Ocean Link have expressed interest in participating in expansion program. At present, only four of the outer islands remain unconnected.

10. **Government recognizes the importance of digital government and is undertaking to lay out the foundations for this in Kiribati.** While still at an early stage, digital transformation is a high and urgent priority in Kiribati. The government recognizes ICT as a vital part of the country's development in its 20-year vision for Kiribati (KV20), the Government Manifesto, and National ICT Policy (2019), and is committed to transforming the delivery of public services and using digital solutions to enhance good governance. The foundations of digital government are however still not in place, with legislation still pending on electronic transactions, electronic signatures, privacy and data protection, and consumer protection. Transactional online services are not available and there is no digital payment platform for government services, though legislation on digital payments is under way. Ministries currently operate different back-office systems with no interoperability, and a basic government web portal is established but not fully operational. Few strides have been made in digitizing internal government document flows. There is no standard document management system nor standard government e-mail, and the development of information systems has so far been fragmented. Digital skills are also limited.

11. **Significant efforts will be needed to establish the critical foundations and platforms to deliver prioritized digital services to citizens and residents**. Most government transactional services, such as obtaining birth, marriage, and death certificates, registering a business, or paying taxes, are still manual and paper based. Kiribati's Digital Government Master Plan (2021),[3] supported through the IDA-financed Kiribati Connectivity Project (P159632), lays out basic foundations and potential quick-wins for digital government. The Master Plan envisages a high-level digital transformation process beginning with digitalization of business processes in government agencies, data sharing between government agencies following the single data collection ("once-only") principle,[4] building e-services for citizens, and optimizing digital government processes. The main enablers of an integrated digital government are identified by the Plan to include digital services to citizens, interoperability and secure data exchange, digital identity and trust infrastructure, base registers, and metadata management of government systems. A "whole of government" approach is proposed to establish common standards and provide access to shared services across all arms of government.

12. **There is currently no digital identification (ID) nor e-signature system in Kiribati.** A national ID system was established in 2018 through the *National Identity Registration Act[5]* but has several weaknesses including limited coverage and utilization, with barriers such as fees and expiry periods for the cards. The civil registry is well-established and has been gradually improving, recording around 90% of births but less than 20% of deaths. Both systems are implemented by the Ministry of Justice. In Kiribati, the share of the unregistered population above age 18 was estimated at about 43 percent in 2016, with the share of population without formal identification likely much higher. Evidence from developing countries worldwide points to women's disproportionate barriers to obtaining formal identification, especially in rural settings. According to the World Bank's Identification for Development (ID4D) data, 1 in 2 women in developing countries do not have access to formal identification. Women face specific barriers that contribute to this ID gender gap such as limited education and access to information, the opportunity cost of childcare if travel is required to obtain ID, limited income and household decision-making power, and a lack of digital literacy.[6] The 2018 *Kiribati National Identity Registration Act* was aimed at increasing the share of registered citizens and establishing a mechanism for obtaining formal national identification.

13. **The ability of people to access online public and private sector services in Kiribati will depend on the introduction of an inclusive and trusted digital ID system that would also allow for e-signatures**, as well as the underlying infrastructure including institutions and foundational ID systems. Digital ID that allows people to securely verify their identity online and to implement electronic signatures (e-signatures) enables expansion and innovation of service delivery and facilitates trust in the digital economy. Government-recognized digital IDs linked to a person's legal identity, which is typically established through foundational ID systems such as national IDs and civil registries, can provide higher levels of assurance. It is therefore crucial that foundational ID systems are developed as authoritative sources of accurate and universal core identity information, including that all barriers are removed in line with target 16.9 of the Sustainable Development Goals (SDGs) to, "by 2030, provide legal identity for all, including birth registration". Digital ID and foundational ID systems are widely recognized, along

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[3] https://www.micttd.gov.ki/publications/digital-government-master-plan

[4] Whereby information is supplied to information consumers only once from the source responsible for handling the information and there is no other information source for the same information.

[5] http://www.paclii.org/ki/legis/num_act/nira2018340/

[6] World Bank. Addressing the Gender Gap in ID Access: Research Summary. https://id4d.worldbank.org/sites/id4d/files/ID4D-Gender-and-Legal-Barriers-Summary-EN.pdf

with digital payments and data exchange platforms, as a key component of a 'digital stack'. If well-designed, digital ID systems can reduce barriers and inequalities for accessing public and private sector services (e.g. for marginalized women and girls, persons with disabilities, and remote populations) and enhance delivery of these services (e.g. allowing a shift to fully-online channels and reducing fraud and administrative costs), while promoting data protection outcomes (e.g. providing data subjects with greater control over their personal data).

14. **Legal and regulatory reforms are needed to support digital government services and the development of the digital economy.** As noted earlier, Kiribati does not currently have the laws needed to support electronic transactions or to regulate privacy and data protection, cybersecurity, or cybercrimes. As Internet use increases, Government will increasingly grapple with digital content and data governance-related issues, including cyber security, cybercrimes, data protection, data privacy and keeping users, especially vulnerable groups, including women and children, safe online. Data governance is an immediate policy priority. Reforms are needed to accelerate and facilitate the digital transformation and put in place data protection safeguards to strengthen privacy, prevent the misuse of data and give people in Kiribati the trust and confidence to access digital government services and participate in the digital economy. The absence of legislation or any policy framework on cyber safety and harmful digital communications has also been identified as a matter of specific community concern impacting on the physical and mental health and the safety of women and girls in similar Pacific Island contexts. Analyses conducted across the Pacific Region have shown that women and girls are particularly vulnerable to threats such as online bullying, harassment and abuse.[7] A 2020 study analyzing on children's online safety in Kiribati, Papua New Guinea and the Solomon Islands[8] showed that the most commonly identified online threats, among both parents and children, were inappropriate content, cyberbullying, and harmful influences, with social media and entertainment platforms posing a particular risk to children's safety. In the study, the majority of respondents recognized that girls were more vulnerable to online risks, mirroring their heightened vulnerability to violence and abuse offline. This was shown to commonly result in parents' perception that the only way to protect female children is to limit their access to the Internet. Legislative reforms to address harmful digital communications, alongside targeted awareness activities to bridge knowledge gaps at a community level, is a critical priority.

Relationship to CPF

15. **The proposed Kiribati Digital Government Project is fully aligned with and directly contributes to the Regional Partnership Framework FY17-21 for Kiribati and the Pacific Island Countries.** The Regional Partnership Framework (RPF) for FY17 to FY21 covers nine small Pacific Island Countries (PIC9),[9] including Kiribati. The RPF identifies four areas of focus for the PIC9 – Focus Area 1: fully exploiting available economic opportunities; Focus

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[7] Most recently, a gender assessment conducted as part of the Digital Republic of the Marshall Islands Project (P171517) showed that women, and particularly young women, are at particular risk of online bullying and harassment.

[8] Third, A. et al. 2020. *Online Safety in the Pacific: A report on a Living Lab in Kiribati, Papua New Guinea, and Solomon Islands.* Sydney. ChildFund Australia, Plan International Australia and Western Sydney University.

[9] Kiribati, Republic of Nauru, Republic of The Marshall Islands, Federated States of Micronesia, Republic of Palau, Independent State of Samoa, Kingdom of Tonga, Tuvalu, and Vanuatu

Area 2: enhancing access to economic opportunities; Focus Area 3: protecting incomes and livelihoods; and Focus Area 4: strengthening the enablers of growth opportunities (macroeconomic management, infrastructure and addressing knowledge gaps). The proposed Project will support Focus Area 4, specifically objective 4.2 that aims to increase access to basic services and improved connectivity infrastructure – including expanding access to broadband services – and objective 4.3 that addresses knowledge gaps and data issues. Through the strategic enhancement of digital government, the Project will support more efficient and effective management of government institutions which would contribute to improved development outcomes in multiple sectors and programs supported under the RPF.

16. **The scope and objective of the proposed Project is also aligned with several key Government development objectives set out in Kiribati's National ICT Policy (2019) and 20-year Vision (KV20).** Pillar 3 of KV20 recognizes improved ICT access and development as critical to supporting growth and enhancing other drivers of growth by facilitating connectivity and accessibility to economic infrastructure. The National ICT Policy in turn outlines principles underpinning specific goals and objectives to which the proposed Project is aligned, notably on rolling out e-Government services and supporting legislation, and bridging the digital divide through universal, secure, affordable, reliable, and accessible communications.

17. **The Project is fully aligned with and contributes to the WBG's Gender Strategy (FY16–23).** The WBG Gender Strategy emphasizes measurable results on closing specific gender gaps around four key pillars: improving gaps in human endowments in health and education (Pillar 1); removing constraints for more and better jobs (Pillar 2); removing barriers to women's ownership and control of assets (Pillar 3); and enhancing women's voice and agency (Pillar 4). Digital government can offer transformative opportunities for women to access information and services on health and education (Pillar 1 of the Gender Strategy), jobs and financial services (Pillars 2 and 3), as well as gender-based violence related services (Pillar 4). The Project also recognizes proof of identification (ID) as critical to improving gaps in women and girls' access to services such as healthcare, education, asset management, and financial services. Project interventions are designed to assess and take into consideration the differentiated needs of women and girls particularly for enhancing access to digital ID and e-services, and for promoting women's safety online, with indicators to monitor the closing of gender gaps.

18. **The Project also fully aligns with the WBG's Climate Change Action Plan.**[10] Kiribati is one of the most vulnerable countries in the world to climate change. It is widely recognized that Pacific Island nations are among the world's most physically and economically vulnerable to climate change and extreme weather events. Women are particularly vulnerable to impacts from climate and geophysical hazards. The effects of sea level rise, storm surge, coastal erosion and saltwater intrusion are exacerbated for Kiribati, given that most of its atolls are only 1.8 meters above sea level. The proposed project interventions are designed to reduce climate change vulnerability and improve climate resilience. For example, data center and cloud computing options will be analyzed to comply with energy efficiency certifications (Component 2), while improved network coverage and enhanced network resiliency will be leveraged to develop and roll out early warning systems to respond to climate-related disasters. Furthermore, the National Government Portal (Component 4) will include information push mechanisms to ensure timely alerts on weather and climate related events.

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[10] World Bank. 2021. *World Bank Group President's Statement on Climate Change Action Plan.*
https://www.worldbank.org/en/news/statement/2021/04/02/world-bank-group-president-statement-on-climate-change-action-plan

C. Proposed Development Objective(s)

The proposed development objective is to build the foundations and strengthen the Government's technical and institutional capacity for digital public service delivery.

Key Results (From PCN)

19. To monitor progress toward the PDO, the following set of indicators have been identified:
(a) Establishment and operationalization of Digital Transformation Office (Yes/No)
(b) Government Enterprise Architecture developed and operational (Yes/No)
(c) Number of Digital IDs issued (Number, sex- and age-disaggregated)
(d) National Government Portal Visitors Satisfied with e-Services (Percentage, sex-disaggregated)

20. The project theory of change is outlined as follows:

Theory of Change: Kiribati Digital Government Project
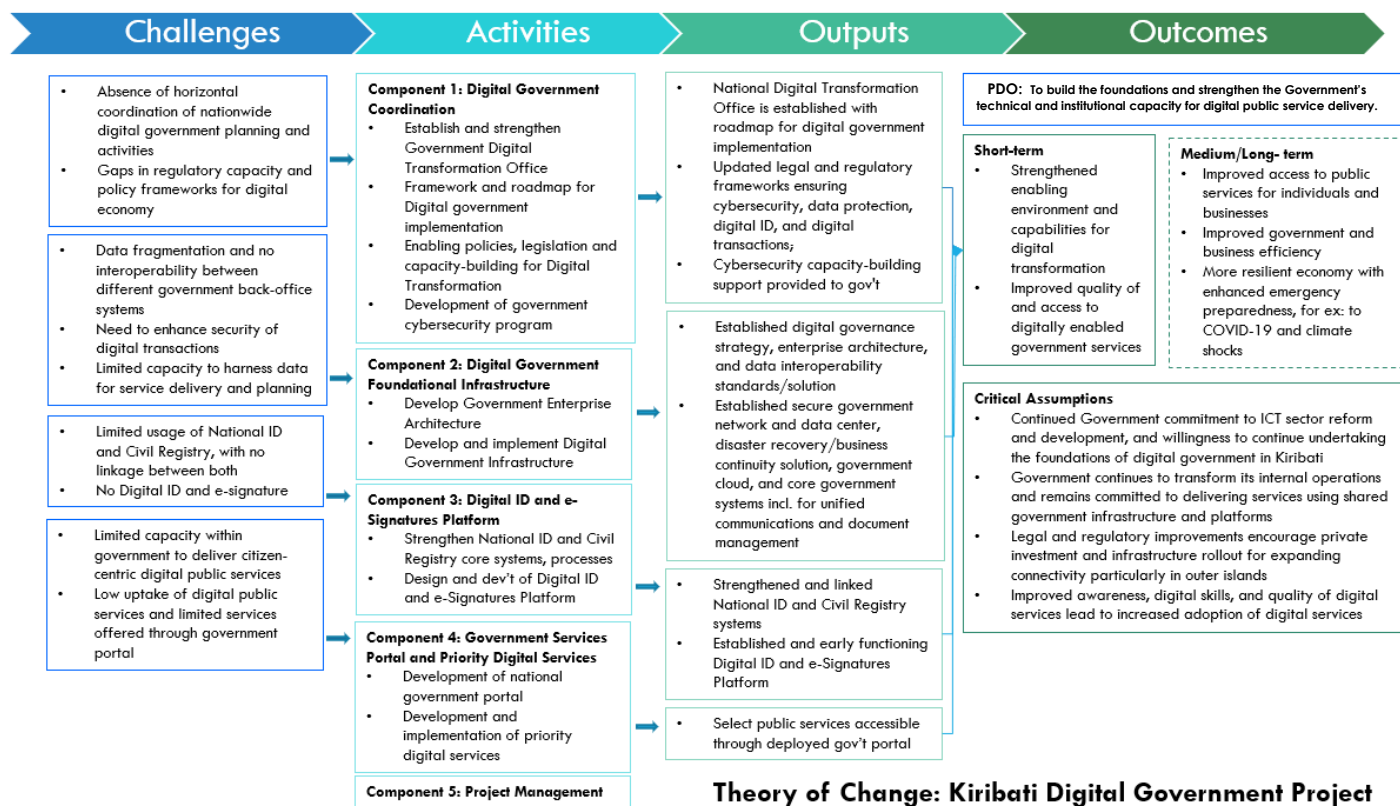
D. Concept Description

The proposed Project will support key focus areas outlined in Kiribati's Digital Government Master Plan (2021), notably on necessary Governance, Technical Infrastructure for digital government, and e-Government Applications. Project

components are as follows.

Component 1. Digital Government Coordination (US$ 2M)

1.1 Government Digital Transformation Office [US$ 1M]
This subcomponent will support the establishment and strengthening of a Digital Transformation Office (DTO) for sustainable digital government coordination and implementation. The Master Plan recognizes as a prerequisite the existence of a well-functioning, competent and motivated coordination institution for ICT management of government institutions. DTO responsibilities are expected to include among others ICT strategy planning, implementing and supervising processes, along with public relations activities on digital transformation issues. To support the establishment of the DTO, activities here will encompass technical support for principles, processes, legal frameworks, training, and other capacity-building requisite for a competently staffed and well-functioning office, as well as the development of a coordination mechanism with line ministries.

1.2 Enabling policies and legislation for Digital Transformation [US$ 1M]
This sub-component will help provide upstream enabling legal, regulatory, and institutional support, as well as capacity-building necessary to laying out the foundations for digital government and accelerating the development of the digital economy in Kiribati. Key activities include:

(i)   *Digital Government Implementation Roadmap.* This will encompass technical assistance for the development and operationalization of a detailed implementation plan, building on the Kiribati Digital Government Masterplan (approved in 2021) and including stakeholder consultations and developing processes for implementation. The roadmap will emphasize the "whole of Government" approach, with enabling arrangements appropriate to ensuring the successful development of the ICT sector and promote long-term interests of users. The roadmap will consider climate-related vulnerabilities and emphasize the use of international best practices and adaptation of green technologies that will be adopted into all aspects of the implementation roadmap as part of Governments mitigation efforts against climate change.

(ii)   *Legal and regulatory framework for Digital Government*. Activities here will span technical support and capacity building for establishing, modernizing and implementing the legal and regulatory frameworks, and institutional and data governance arrangements, needed to support digital government and the digital economy, particularly cybersecurity, cybercrime, data protection,[11] consumer protection, digital ID, e-signatures, digital transactions, e-commerce and Netsafe principles and practices. It will include reforms to the existing legal frameworks for the national ID system and civil registry, as needed.

(iii)   *Government Cyber Security Program*. The subcomponent will furthermore encompass technical assistance and capacity building for the development of operational and administrative standards, assurance, monitoring, audit, and Cyber-Security Emergency Response Team (CERT) capabilities. The Cyber Security Program will include comprehensive security training and awareness programs for all government users, government IT and security professionals, management, citizens, and private sector stakeholders.

Component 2. Digital Government Foundational Infrastructure (US$5M)
This component will finance a range of interventions and investments focused on technical enablers and infrastructure for e-government. As emphasized in the Master Plan, technology must be integrated into government processes in a

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[11] Per MICTTD, data protection to potentially be supported by ADB, and to be coordinated accordingly with WB supported interventions

sustainable way with proper institutional and legislative support, including training of personnel.

2.1 Government Enterprise Architecture

Subcomponent 2.1 encompasses support for the following activities:

(i)   The design and implementation of digital governance and decision-making processes encompassing a business process review to ensure timely and quality data, and accessible information for informed decision-making and change management.

(ii)   The design and development of Enterprise Architecture, an Interoperability Framework and associated Interoperability solution for government systems.

- *Enterprise architecture* will guide government agencies through the business objectives, information and data requirements, process and workflow mapping, and technology changes necessary to execute their information systems (consultancy, software development/purchase) strategies.
- *The Interoperability framework* will define the approach for delivering public services in Kiribati in an interoperable manner, together with basic interoperability guidelines in the form of common principles, models, and recommendations.
- *The Interoperability solution* will encompass common data standards and solution for secure data exchange between systems, together with the establishment of a catalogue of registered information systems and services.

2.2. Digital Government Infrastructure

Subcomponent 2.2 will support the design and procurement of digital government infrastructure and platforms to support information systems and applications, including—

(i)   *Secure Government Network and Data Center, Disaster Recovery/Business Continuity, Government Cloud*. This subcomponent will consider and evaluate alternative data center or cloud computing ownership models taking into consideration climate change impacts, disaster risks security, resource management, operational and capital cost of operations, continuity of operations, and total cost of ownership. Remote and local data center options will be analyzed, including to promote compatibility and interoperability with existing and proposed digital platforms and solutions, as well as compliance with energy efficiency certifications. Improved network coverage and enhanced network resiliency will be leveraged to develop and roll out early warning systems to respond to climate-related disasters.

(ii)   *Government core systems*, such as unified communications (secure email and VOIP telephony system), and document management systems. Proprietary and open-source options will be considered. Improved communications across key Government agencies will enable the deployment of disaster risk monitoring tools and improve dissemination of early warnings to help mitigate against risks. The improved communications in the aftermath of a significant weather-related events will also play a key role in collating and sharing of critical damage assessment withing Government agencies as well as relevant development partners and significantly improve response times to provide relief to citizens affected.

Component 3. Digital ID and e-Signatures Platform (US$2.5M)

This component will serve to reinforce foundational ID systems and setup digital ID, recognized as a cornerstone of digital government in the Master Plan. With electronic identification tools, citizens and businesses can carry out secure electronic

transactions and take full advantage of digital government, cutting out paperwork.

3.1 Strengthening foundational ID systems [US$ 0.5M]
Subcomponent 3.1 will support the strengthening of the existing national ID system and civil registry (CR), both under the Ministry of Justice, as it pertains to enabling the introduction of an inclusive and trusted Digital ID and e-Signatures Platform, complementing the legal reforms under subcomponent 1.2. These activities will include improvements to core software and hardware, data governance, external interfaces, information security, and business processes, as well as supporting strategic and relevant initiatives to increase registration coverage. Support will be provided to the Ministry of Justice for conducting an assessment to identify potential disproportionate barriers faced by women, especially those in outer islands, to obtain national identity cards, as well as in the implementation of specific actions aimed at addressing identified barriers. Based on constraints identified, potential actions could include targeted information campaigns and support for online/decentralized application process to address mobility constraints.

Furthermore, as robust civil registration is a critical enabler of women and girls' access to services such as healthcare, education, asset management, and financial services, also enabling government to obtain accurate population data for policies that take into account specific needs of women and girls, the Project will ensure that the design of the upgraded CR system incorporates a review and, if needed, incorporation of vital statistics that are critical for gender specific policy-making.

3.2 Developing an inclusive and trusted Digital ID and e-Signatures Platform [US$ 2M]
Subcomponent 3.2 will support the design, development and early functioning of a Digital ID and e-Signatures Platform that would enable citizens and residents of Kiribati to securely verify their legal identity (i.e. linked to their national ID, civil registration records, and/or other official documents) and implement e-signatures in ways that are equivalent to wet signatures. The objective of the Platform would be to enable public and private sectors (e.g. applying for government services and carrying out electronic know your customer/e-KYC for financial services and remittances) that integrate with it to be accessed completely online with high assurance and trust. Opportunities for cross-border recognition with other countries will be explored. The Platform will be based on the policy and legal framework established under subcomponent 1.2, and its design will be based on extensive consultations with users (both the public and relying parties), leverage the Digital Government Foundational Infrastructure under component 2, and align with the ten *Principles on Identification for Sustainable Development*.[12]

Component 4. Government Services Portal and Priority Digital Services (US$ 1.5M)

This component will support the development and scaling up of a national government portal consisting of a single window to facilitate citizen and business access to public information, interactions and transactions with Government ministries and agencies.[13] As envisioned in the Master Plan, the portal will consist of both information services (information about how the government works and what services it provides) and e-services (services executable directly in the portal).

Focus will be on identifying and implementing 1-2 priority citizen-centric public services to be deployed through the portal, based on institutional and technical readiness assessment for digital services. As digital government can offer transformative opportunities for women to access information and services on health, education, gender-based violence related services, jobs and financial services, the project will ensure that activities to support digital public service delivery

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[12] https://id4d.worldbank.org/principles
[13] A Kiribati national government portal is currently under development with an initial prototype is available at:
http://www.kiribati.gov.ki/

are gender-inclusive, as outlined below. A Digital Government platform would also offer the citizens a timely and credible information source, which are critical in disseminating key government announcements and adverse weather advisories. Given the significant climate change vulnerabilities faced by Kiribati, timely dissemination of weather alerts would give the citizens an opportunity to mitigate against risks and minimize losses to property and lives.

Component 4 activities will include: (i) carrying out service delivery, accessibility, and user journey assessment to identify priority services with consideration for differentiated needs of women and girls; (ii) engineering of selected services following user-centered perspective; (iii) facilitating e-service implementation and diversifying service delivery mechanism/ channels (e.g., voice, text, and USSD solution on top of web-based e-services); (iv) communication and dissemination of e-services by improving the user guidelines and instructions, and with targeted awareness raising for women and vulnerable groups; (v) development of multi-channel citizen feedback and grievance mechanism available for all users, with gender-disaggregated results, in addition to information push mechanisms to ensure real-time data and update in case of public health, climate disaster risk, and other unprecedented emergencies; (vi) advisory support to implement associated business and change management processes within relevant ministries and agencies. To target harmful online communication and promote knowledge of safety practices, communication activities will aim to raise awareness on issues such as online safety, data protection, respectful communication, and address risks of bullying and harassment particularly for women and girls.

Component 5. Project management (US$1M)
This component will support the implementing agencies in the management and implementation of the Project, including financing of training and operating costs. Activities encompass strengthening the capacity of implementing agencies to process project transactions, project coordination, communications, outreach, procurement, financial and contract management, reporting, audit, fiduciary, safeguards, monitoring and evaluation.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

Environmental risk is classified as **Moderate** for the Project which may result in moderate direct and downstream environmental risks. The risks are not expected to be complex or significant and have a low probability of serious adverse effects to human health or the environment. Potential risks and impacts include the generation of dust, noise, waste, sedimentation etc. and occupational health and safety impacts to workers from minor construction works (e.g. network installation, digging of trenches and laying of foundations for the data center), the consumption of energy, and the generation of e-waste from the procurement of hardware both directly from the establishment of the containerized data center and as a downstream impact from the implementation of the Digital Government Implementation Roadmap and other work completed by the Digital Government Transformation Office. Any civil works will be completed on previously disturbed land minimizing impacts to biodiversity.

Social risk is classified as **Moderate** for the Project, which may result in moderate direct, indirect, and downstream social risks. Potential risks and impacts include exclusion or inequity in understanding and accessing digital public services;

cybersecurity and safety concerns as access increases; labor, community health and safety and land acquisition issues during minor civil works; and potential changes in terms and conditions of employment for some civil servants. Risks associated with increased connectivity and provision of public services through digital means may include cyber-bullying, addiction and exposure to illicit material, and risks relating to unequal access based on gender, age, ability, income, and remoteness. These can be managed through identification of groups at risk during project preparation and effective stakeholder engagement during implementation, with a focus on improving and removing barriers to access for all (including the vulnerable), developing safeguards within the institutional frameworks to ensure equitable access and means to engage with and complain about services. The issues associated with the development of an e-services platform and digital identification will be considered as part of stakeholder engagement activities. The civil works and construction impacts are expected to be minor and can be adequately managed. The project may require small-scale land acquisition, but this will be planned on government land or communal land to be leased by the government through a voluntary negotiated settlement. The land will be selected to avoid any displacement of communities from such land. The risk of sexual exploitation and abuse/sexual harassment (SEA/SH) is assessed as low. The project is only expected to employ a minor number of overseas workers and worker behavior can be informed by appropriate training and code of conduct.

Potential risks and impacts will be managed through the development and implementation of an environmental and social management plan (ESMP), a stakeholder engagement plan (SEP), labor management procedures (LMP) and a contractor environmental and social management plan (CESMP). Environmental and social risk management support will be provided to the PMU through the Kiribati Fiduciary Services Unit (KFSU).

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