



## P4: Pacific Regional Connectivity Program Phase 4: KI: Connectivity Project (P159632)

EAST ASIA AND PACIFIC | Kiribati | Transport & Digital Development Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2017 | Seq No: 3 | ARCHIVED on 10-Oct-2018 | ISR33297 |

Implementing Agencies: Republic of Kiribati, Ministry of Information, Communications, Transport and Tourism Development

### Key Dates

#### Key Project Dates

Bank Approval Date: 31-May-2017

Effectiveness Date: 24-Aug-2017

Planned Mid Term Review Date: 12-Nov-2018

Actual Mid-Term Review Date: --

Original Closing Date: 30-Nov-2022

Revised Closing Date: 30-Nov-2022

### Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project development objective is to reduce the cost and increase the availability of Internet services in Kiribati.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

### Components

Name

- 1 (a) Submarine Cable System:(Cost \$15500000.00 M)
- 1 (b) (i) Cable Landing Station and Ancillary Equipment:(Cost \$1500000.00 M)
- 1 (b) (ii) Connection of the EMC to the Pohnpei Cable Landing Station
- 2 Technical Assistance:(Cost \$2000000.00 M)
- 3 (a) Project Management & Administration: Activities to Strengthen Capacity of the Recipient:(Cost \$800000.00 M)
- 3 (b) Project Management & Administration: Program of Activities to Strengthen the Project Implementing Entity's Capacity:(Cost \$200000.00 M)

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory
Overall Risk Rating	● Substantial	● Substantial

### Implementation Status and Key Decisions

**Project Summary:** The proposed East Micronesia Cable (EMC) system will connect Kiribati (Tarawa), Nauru and FSM (Kosrae-Pohnpei) with onward connectivity from Pohnpei to Guam (US) via the HANTRU-1 cable. WB is financing Kiribati's participation in the EMC under this project, plus associated technical assistance and management support.

Implementation of the EMC cable has been delayed pending resolution of organizational issues in FSM.



**Bwebweriki Net Ltd (Component 1):** The key next step is to ensure that Bwebweriki Net Ltd (BNL - the national cable operating company - an SOE) is fully functional. BNL needs to further develop its business plan and governance rules; outsource its day to day operations/administration; recruit staff etc. The Government has already recruited technical and legal advisors to support this, so it is advisable to expedite this process now.. The aide memoire has outlined the steps and timeline within which to complete this process. Once fully operational, BNL has to: (a) negotiate and sign the Project Agreement with the World Bank (draft already provided for review) (b) negotiate and sign a Subsidiary Agreement with the Ministry of Finance and Economic Development (MFED) (c) sign the proposed Construction and Maintenance Agreement (C&MA) and Indefeasible Right of Use (IRU) Agreement with Nauru and FSM counterparts. (d) register as an operator, pay operator license fees and prepare a Reference Interconnection Offer (RIO) all to be endorsed by CCK. Draft Project and Subsidiary Finance Agreements have been developed but yet to be reviewed by Government of Kiribati (GoK).

**EMC Implementation (Component 1):** A MOU that outlined technical, managerial and financial principles for the EMC system was negotiated and signed on 17 April 2018 with FSM and Nauru counterparts. A draft C&MA was circulated on 21 June 2018 for comments. Progress of the IRU depends on progress of C&MA. Technical System Specifications of the EMC system was given to FSMTCC (to lead) in June 2018. RFB expected before end 2018 (initially in September 2018, but delayed) Technical Specifications and call for proposals (expected by mid-2018 with contract awarded by end 2018) is delayed pending resolution of organizational changes that have occurred in FSM. Anticipated that EMC will be RFS by end 2020. Technical specification for Upgrade of the Pohnpei to Guam (Hantru-1) system was prepared and passed to FSMTCC (to lead). Discussions still ongoing about financing this upgrade.

**Capacity Building (Component 2):** Project funding will continue to support and develop skills and build capacity for MICTTD, BNL and CCK staff. Capacity development for CCK staff will focus on managing access to and services on the cable and for MICTTD, development of e-Government services. REOI for e-Government component was issued and responses received. It was decided that ToR be revised to reduce amount of time in-country and extend scope of works to include ICT policy elements. Revised RFP was issued to shortlisted firms, closing date was 12 September 2018. Review of technical proposals expected by 30 September 2018.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Moderate	● Moderate	● Moderate
Macroeconomic	● Moderate	● Moderate	● Moderate
Sector Strategies and Policies	● Low	● Low	● Low
Technical Design of Project or Program	● Moderate	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Substantial	● Substantial	● Substantial
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Low	● Low	● Low
Stakeholders	● Substantial	● Substantial	● Substantial
Other	● Moderate	● Moderate	● Moderate
Overall	● Substantial	● Substantial	● Substantial

## Results

### PDO Indicators by Objectives / Outcomes

Direct Project Beneficiaries (No change until EMC operational).



▶Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15,000.00	15,000.00	15,000.00	45,000.00
Date	30-Dec-2016	02-Oct-2017	25-Jul-2018	31-May-2022
▲Female beneficiaries (No change until EMC operational). (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	5,000.00	5,000.00	5,000.00	25,000.00

Access to internet services (number of subscribers per 100 people).				
▶Access to Internet Services (number of subscribers per 100 people) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15.00	89.00	89.00	45.00
Date	30-Dec-2016	30-Jan-2018	25-Jul-2018	31-May-2022

Wholesale internet bandwidth price (Mbps/Month). (No change until EMC operational).				
▶Wholesale internet bandwidth price (Mbps/Month) (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	700.00	700.00	700.00	250.00
Date	30-Dec-2016	30-Jan-2018	25-Jul-2018	31-May-2022

Retail Price of Internet Services (per Mbit/s per Month, in US\$)				
▶Retail Price of Internet Services (per Mbit/s per Month, in US\$). (No change until EMC operational). (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	15.00	15.00	2.00
Date	30-May-2017	30-Jan-2018	25-Jul-2018	30-May-2022

Available International Bandwidth (Mbps). (No change until EMC operational).				
▶Available International Bandwidth (Mbps) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	150.00	400.00	400.00	1,000.00



Date	30-May-2017	30-Jan-2018	25-Jul-2018	31-May-2022
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Number of beneficiaries that feel project investments reflected their needs.

►Beneficiaries that feel project investments reflected their needs (number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	22,500.00
Date	30-May-2017	30-Jan-2018	25-Jul-2018	31-May-2022

▲Beneficiaries that feel project inv. reflected their needs - female (number) (Number, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	12,500.00

▲Total beneficiaries - female (number) (Number, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	25,000.00

▲Total beneficiaries - male (number) (Number, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20,000.00

▲Beneficiaries that feel project inv. reflected their needs - male (number) (Number, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10,000.00

### Intermediate Results Indicators by Components

1 (b) (ii) Connection of the EMC to the Pohnpei Cable Landing Station

►Construction & Maintenance Agreement Signed between Kiribati, Nauru and FSM - pending negotiations (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	30-May-2017	30-Jan-2018	25-Jul-2018	30-Aug-2019

1 (a) Submarine Cable System

►Length of Fiber Optic Network Built (km). (No change until EMC operational). (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2,144.00
Date	30-Dec-2016	30-Jan-2018	25-Jul-2018	31-May-2022

### Data on Financial Performance

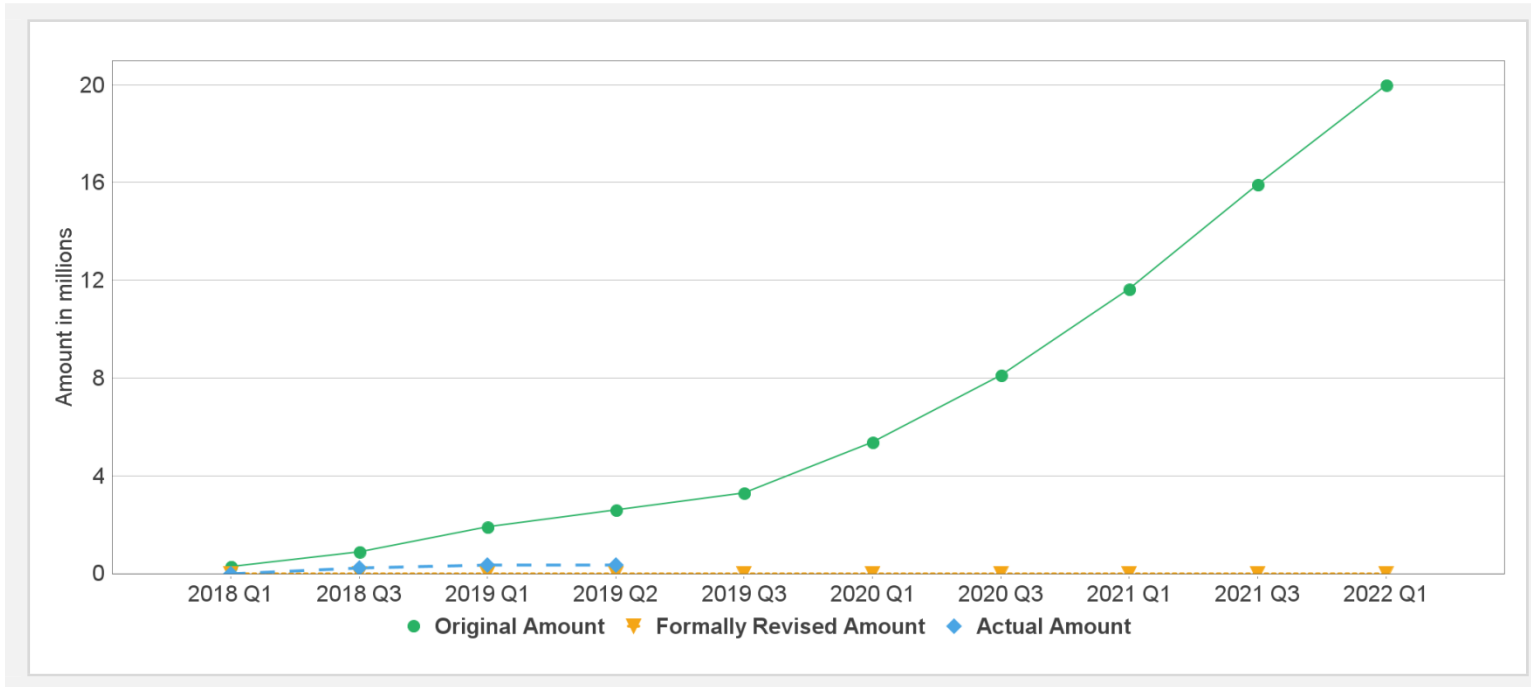
#### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P159632	IDA-D1870	Effective	USD	20.00	20.00	0.00	0.35	21.19	1.6%

#### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P159632	IDA-D1870	Effective	31-May-2017	03-Jul-2017	24-Aug-2017	30-Nov-2022	30-Nov-2022

#### Cumulative Disbursements





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## **Restructuring History**

There has been no restructuring to date.

## **Related Project(s)**

There are no related projects.

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