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# WORLD CHAMBERS CONGRESS

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## KIRIBATI

### Kiribati Chamber of Commerce & Industry (KCCI)

#### Curriculum vitae and professional role

Kiribati is an independent republic within a Commonwealth nations being made up of three island groups; the Gilbert, Phoenix and Line groups with total of 32 scattered coral atolls and 1 higher island. These form up 313 square miles land and 1.3 million square miles water across the Central Pacific Ocean.

Kiribati (pronounced KIR-e-bass) was a former colony of Britain until independence on 12 July 1979. The capital of Kiribati is Tarawa Atoll and the Government headquarters rests on the village of Bairiki Town. Its people of 103k of Micronesian race with around 50% live on the capital Tarawa Atoll and around or less than 10% on Kiritimati Atoll. A biggest atoll of Kiritimati Island, being a bomb testing ground by the British and US in the 1950 and 60s serves now as the second capital headquarters for the Line and Phoenix groups.

#### KCCI Profile

It was claimed that KCCI was established in the early 1970s by few business people and Managers of State owned enterprises when Kiribati was under the British colony. Since then the Chamber (initially named Kiribati Chamber of Commerce KCC until I (Industry) was introduced in 2009 to align with other Pacific chambers) was operating on and off basis given the non sustainability of its revenue to finance its operations and no office to work from. In late 90s, the Chamber was given an office by the then Ministry of Commerce & Trade thus starting to function properly and slowly. The issue of finance was still the case where as the secretariat staffs were working on voluntary basis, then slowly on a part time basis with very limited resource until early 2012 under new Chairmanship, KCCI finance was strong

enough to finance its operations and other activities for its members. Today KCCI has more than 150 financial members however its services incorporate all businesses in Kiribati from small scale to large enterprises regardless of sector and nature of business. It has operating office in Tarawa and a small branch office in Kiritimati Island with five full time staff. Its role as specified in KCCI Act 2014,

KCCI shall promote, protect and represent the interest of its member businesses/employers nationally, regionally and internationally and it has the following aims and objectives.

- (a) To stimulate and encourage both the Governmental and private sectors to have greater participation in the country's commercial and related activities.
- (b) To assist and advise members in business related matter, industrial relations, employment, labour and social issues relevant to the interest of its members.
- (d) To promote industrial harmony, business and industry best practice among its members.
- (e) To advocate and lobby nationally, regionally and internationally for the best interest of its members and in promoting conducive business environment.
- (f) To promote and provide relevant training for the development of its members.

- (g) To collect, analyse and disseminate vital statistics on all matters of interest to the business community.
- (h) To develop and provide facilities such as mini-banking service, credit guarantee scheme, insurance bodies, training centres, wholesalers agencies, etc that will strengthen the development of businesses/employment in Kiribati.
- (i) To attract and develop donor funding and technical assistance that would boost business/employment development in Kiribati.
- (j) To carry out any lawful activity that may be necessary for the successful achievement of KCCI strategic objectives.

### **Opportunities and challenges for entrepreneurship in your country/region**

KCCI works closely with the Ministry of Commerce, Industry and Cooperatives with issues relating entrepreneurship and with the Ministry of Labour & Human Resources Development for labour, employment and industrial issues. Kiribati is ranked one of the poor place in the Pacific region on the issue of “ease of doing business” and this is one of KCCI mission to improve. After lengthy discussions, consultations with members before bilateral deliberations with government, all issues affecting ease of doing and improving business in Kiribati has been recognized and now reflected in the Private sector development Stragetegy which was approved by Cabinet early 2014. KCCI sits in the Private Sector Consultative Committee, a committee to implement the Stragetegy. KCCI also sits in the Decent Work Steering Committee coordinated by the ministry of labour to look into employment and other related issues. Apart from these, KCCI sits in some boards and committees mandated by the government to oversee issues and challenges affecting the economy, employment within the country and abroad, environments issues and many more. These national committees and boards gives KCCI strong voice, participation and the opportunity to raise, consider, decision make, resolve and address the challenges affecting the entrepreneurship in Kiribati.

### **Description of the Chamber: public or private? Local, regional, national? How many member businesses does your Chamber have? Which sectors?**

KCCI is a national private sector and employers’ organization recognized under the KCCI Act 2014. It is an active member of the regional chamber organization called the Pacific islands Private Sector Organization (PIPSO) and also member to the International Organization of Employers (IOE) and observant of International Chamber of Commerce before it receives its full membership.

Financial members has reached an highest of 150 from different business sectors including; Wholesalers, Retailers, Shipping Line, Hotels, Land Transports, Legal Services, Manufacturers, Travel Agents and Tour Guides, Fishing, Cooperatives, Electrical, Mechanical etc mostly businesses on Tarawa and a few in Kiritimati Island.

KCCI established its branch office in Kiritimati Island (2nd capital of Kiribati) in mid 2014 to serve the business community there where it secured financial members there too. Subject to funding availability, KCCI will move to selective islands in the outer islands to deliver business courses at the same time to secure and increase financial membership in these rural areas. Membership with KCCI is not compulsory and it is optional weather they will pay their fee or not. With this regard, KCCI need to be very proactive in delivering their services and activities to benefit its members and this was how it worked since early 2012.

### **Which key projects does your Chamber realize?**

In its 2014-2016 strategy, KCCI realizes certain areas to undertake. These include;

1. Securing it’s own land. KCCI now uses one room of the small industry centre owned by the Ministry of Commerce, Industry and Cooperatives. The room is very small to cater for bigger activities/training and meeting for its members. KCCI is working on this with the Ministry of Lands.

2. Capacity Building – After lengthy requests, KCCI has successfully received a human aid from Government to engage for three years commencing Jan 2015 to act as Interim CEO. This will help the secretariat staff to improve their office and admin skills.
3. Short Business Courses - KCCI has managed to conduct some short business courses in the past months to the members and non members. These same courses plus more as needed by members will be conducted soon and subject to availability of funding. Last courses were conducted under the sponsorship of the Pacific Islands Private Sector Organization and the International Labour Organization regional office.
4. Outreaching the outer islands: KCCI intend to outreach its services to the outer islands in every district of Kiribati but starting from four selected islands. This will help increase its membership to the outer islands at the same time to improve businesses in these islands. Pending now is funding before this is made possible.
5. Maintain trade shows three times a year.
6. Securing a transport. – KCCI has been working with no transport given inadequate fund to afford. The staffs are walking on their feet, taking bus ride for longer distances. KCCI is working hard to source external funds to be able to afford a cheaper vehicle to service the staff.

### **The most important challenge for your Chamber in the future**

Sustainable revenue is the very most challenge issue for KCCI. For years KCCI has been struggling to finance the operation of its office which in turn, the successful operation of the office with motivated secretariat staff could drive KCCI forward. The motivated staffs of good experience with sound knowledge and constructive office facility are essential need to make a difference. All these lies on sufficiency and sustainability of fund to finance all office related job. The annual subscription fees are too small to meet all the office costs therefore from time to time the Executive Board have to struggle to fund raise through any means in order to maintain the operation of the office. With this approach the successful operation of the chamber dependant on the activeness and innovativeness of the President and his committee. Membership to KCCI is open and optional thus not all businesses are obliged to join and pay membership to KCCI. Despite efforts to convince businesses to join, it's hard and impossible and surely need a different approach.

### **Any interesting experience or success story your Chamber went through**

Clearing stated in the above presentation, early 2012 came a new Chairman/President and committee members to steer KCCI for two years from Feb 2012 – Jan 2014 and then President re elected to continue office from Feb 2015 – Jan 2016. The story starts for the so called success in the history of KCCI.

In the very first week after elected President took office, the committee was called to draft a strategic plan and action plans to implement. The theme “Action Speaks Louder Than Words” was identified and endorsed to attract membership. These plans were noted and achieved so far;

1. Conducted and coordinated trade fairs three times a year where KCCI could benefit from the sales of booth, sales of admission to the public and sales of toilet use. The first took place in Dec 2012, then followed by three times in the years after till date. This is the major contributor now to the reserve of KCCI. (Prior to that Ministry of Commerce conducted and coordinated once a year event before KCCI took over).
2. Late 2012 - Outreach to the whole business community to see their issues, needs and challenges. National Business Survey was conducted in late 2012 under financial support of ILO regional office.
3. 2012/2013 - Received some core funding from PIPSO to help build KCCI Boardroom/Training room, and to buy new computers and photocopy (none existed before),

4. From the needs identified in the survey, ten short business trainings were conducted in 2013/2014. The fee was charged to participants and the fund collected was recognized as KCCI revenue.
5. Draft KCCI Bill in 2013 and passed the first and second reading in parliament and became KCCI Act 2014. The Act legally recognizes KCCI as a national private sector and employers' organization in Kiribati.
6. Working with Ministry of Commerce, the Private Sector Development Strategy (PSDS) was drafted and finally endorsed by Cabinet early 2014, then followed by the formation of the Private sector consultative committee to implement the strategy.
7. 2013-2014 – members increased from max in prior years of 60+/- to 120+, then 150+ in 2014/15 record.
8. Mid 2014 - First business course conducted in Kiritimati island at the same time open a branch office there.
9. KCCI spearheaded the cleaning campaign in September every year since 2013. KCCI thru its members donated trucks and refreshments to the school students, youth groups etc to help cleaning.
10. KCCI has outreached its services to the very domestic grass root level businesses thru consultation workshops on specific issues.
11. Not mentioning KCCI sits in many government boards and committee to oversee national issues at different areas.
12. Establishing a MOU with the Kiribati Institute of Technology where KIT will design national accredited business courses and KCCI (thru its members) for internship program to KCCI graduates
13. Etc.



Mr Tekeeua Tarati – KCCI President 2012-2016 and Managing Director, Triple Tee Enterprises



KCCI Office front, inside office and boardroom

[www.kcci.org.ki](http://www.kcci.org.ki)

[kiribatichamber@gmail.com](mailto:kiribatichamber@gmail.com) or [tekeuatarati@gmail.com](mailto:tekeuatarati@gmail.com)