



KOSRAE STATE

SDP

**strategic development plan
2014 - 2023**

Acknowledgements

Kosrae's SDP is a plan locally led, driven and developed with substantial cooperation and contribution from a number of individuals and organizations. The end-product of the KSDP as it is would not have been possible without the hard work, sacrifices and contribution from these individuals and organizations.

It would be remiss if the effort and hard work of the individuals or group referred to in the development of the KSDP as "Facilitators" is not acknowledged. Select individuals from respective development sectors in the KSDP were immensely instrumental in the development of the plan, particularly in facilitating sector workshops and working tirelessly to compile workshop results and developing the sector logframes eventually endorsed in the 2013 Kosrae Leadership Conference. The hard work of the following individuals must be acknowledged: Kun Mongkeya, Nena Tolenoa, Wilson Kephass, Hairom Livaie, Rev. Madison Nena, Berlin Sigrah, Alister Tolenoa, Blair Charley, Marston Luckymis, Witson Phillip, Stanley Raffilman, Grant Ismael, Isao Mike, Sian Nivison, Mary Livaie, Palikkun Kilafwasru and Lipar George.

The same sense of acknowledgement also goes to the members of the Kosrae SDP Project Team. The process to develop the KSDP was relatively lengthy with the preliminary planning phase of the project commencing in October of 2012, being carried out through FY2013, and ultimately concluded in August of 2013. Nonetheless, members of the KSDP Project Team put substantial work and effort through this duration into seeing the SDP coming to fruition and ultimately developed into a tool for providing a roadmap for development planning in Kosrae for the next ten years. Members of the Project Team include Steven L. George, Project Director; Rev. Madison Nena, Project Manager; Lipar George, Project Advisor; Sian Nivison, Project Advisor; and, Palikkun N. Kilafwasru, Project Assistant/Staff. Special acknowledgement goes to Mrs Sian Nivison, a volunteer for the AusAid's Australian Volunteer for International Development program (AVI). As a member of the team, Mrs Nivison provided professional assistance, ideas and energy to the SDP effort and played a key role in the project.

The Steering Committee was another group instrumental in the process of developing the KSDP. Members were mostly individuals of official-level positions in the State Government or other organizations in Kosrae. Albeit demanding daily schedules that come with their positions, members of the Steering Committee showed the willingness to accommodate the need for their participation in the KSDP Project by taking part in meetings and, in the cases of some members, also participate in sector workshops or other more technical KSDP project activities. The Steering Committee was instrumental in providing constructive ideas on how to go about formulating the KSDP, review and approve as needed plans and activities of the SDP project, or generally provide guidance to the project that ultimately ensured its success. To that end, the work and participation of these individuals should also be acknowledged: Director Steven L. George, DREA - Steering Committee Co-Chairman; Executive Director Andy S. George, KCSO - Steering Committee Co-Chairman; Director Levinson Taulung, DHS; Director Lyndon Cornelius, DOE; Director Weston Luckymis, DT&I; Director Robert Jackson, KIRMA; Director Alik Isaac, DAF; Jeffrey Tilfas, OAG; Grant Ismael, KVB; Keitson Jonas, KBA; Skiller Jackson, Kosrae SBDC; Municipal Mayors; Smith Sigrah, KCC; and Sweetiyona Tulensru representing the Governor's Office.

The process to develop the KSDP also benefitted from the expertise and assistance from individuals representing the Secretariat of the Pacific Community. Mereseini Seniloli and Tevita Kete provided professional technical assistance in the process to develop the SDP. Furthermore, SPC also assisted the project by holding a course/training which strengthened facilitators' ability to facilitate sector workshops, compile results and develop sector logistical framework.

Many 'kulo' and thanks to all who are named above and to all who have contributed to the success of the process to develop the SDP but is inadvertently not named.

Acronyms

COMET	College of Micronesia-FSM Entrance Test
DAF	Department of Administration and Finance
DREA	Department of Resources and Economic Affairs
DHS	Department of Health Services
DOE	Department of Education
DSM	Demand Side Management
DT&I	Department of Transportation and Infrastructure
FSM	Federated States of Micronesia
FSMDHSA	FSM Department of Health and Social Affairs
FY	Fiscal Year
GDP	Gross Domestic Product
HRH	Human Resources for Health
HTN	Hypertension
IPIC	Infrastructure Policy Implementation Committee
JEMCO	Joint Economic Management Council
JICA	Japan International Cooperation Agency
KAPIT	Kosrae Adjustment Policy Implementation Team
KBA	Kosrae Broadcast Authority
KCC	Kosrae Chamber of Commerce
KCSO	Kosrae Conservation and Safety Organization
KIRMA	Kosrae Island Resource Management Authority
KSAP	Kosrae State Action Plan
KSDP	Kosrae Strategic Development Plan
KSG	Kosrae State Government
KVB	Kosrae Visitors Bureau
LTFE	Long Term Fiscal Framework
LTG	Lelu Town Government
MMG	Malem Municipal Government
MSC	Micronesia Shipping Commission
NGO	Non-Government Organizations
OAG	Office of the Attorney General
ODA	Overseas Development Assistance
OVI	Objectively Verifiable Indicator
PACC	Pacific Adaptation to Climate Change Program
PIHOA	Pacific Islands Health Officers Association
POL	Petroleum, Oil & Lubricant
RIF	Reduction In Force Program
SBDC	Small Business Development Center
SAT	Standardized Advancement Test
SDP	Strategic Development Plan
SIP	School Improvement Plan
SPC	Secretariat of the Pacific Community
SSM	Supply Side Management
SWMP	Solid Waste Management Plan
TMG	Tafunsak Municipal Government
UMG	Utwe Municipal Government
WHO	World Health Organization

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Forewords

A Message From the Governor

It is with distinct honor to present to you the 2014-23 Kosrae Strategic Development Plan (SDP). The Kosrae SDP represents our development aspirations for the next 10 years. I am most proud of the fact that this is the first state development plan that is locally produced with very strong and wide local participation.

As many of you are aware, we have 10 years remaining under the terms of the amended Compact with the United States to continue utilizing the benefits of grant funding made available to support our socio-economic development. Given these limitations, it is important that Kosrae prepares a plan to move forward to meet its development objectives.

Over the first 10 years of the amended Compact, Kosrae State experienced some serious challenges on the implementation of the amended Compact. Although reforms have been tough and unpopular, results of reforms have aided us quite significantly today. Compliance is necessary for Kosrae to succeed in the amended Compact and that was exactly the actions we have been able to accomplish.

The Kosrae financial situation has now improved immensely so as economic performance in recent years. Because of good and sound economic policies and reforms, Kosrae was able to achieve positive average annual economic growth for the last 5 years.

Our development options although are limited, we must collectively work together to pursue and implement the common goals set in this SDP. I anticipate annual reporting on sectoral progress of the SDP as well as three (3) year leadership review of the SDP including our Long Term Fiscal Framework (LTFF).

Finally, I would like to take this opportunity to commend the work of SDP Steering Committee and Facilitators for the outstanding job supervising and managing the process to a successful ending. Much appreciation is extended to Division of Economic Planning, DREA for the difficult tasks compiling and drafting this SDP.



Lyndon H. Jackson
Governor

RESOLUTION KLC 2013-01

ENDORISING THE “KOSRAE STRATEGIC DEVELOPMENT PLAN: 2014 – 2023” AND REQUESTING THE KOSRAE STATE LEGISLATURE TO EXPEDITE ITS FORMAL ADOPTION OF THE KOSRAE STRATEGIC DEVELOPMENT PLAN.

WHEREAS, the Leaders of Kosrae State gathered at the Rose Mackwelung Library from July 30th, 2013 to August 1st, 2013 to discuss, review and endorse a “Kosrae Strategic Development Plan: 2014 – 2023” necessary for informing and guiding development in the State of Kosrae for the ensuing 10 years and beyond; and

WHEREAS, the Leadership was presented with the Kosrae’s SDP and briefing on Kosrae’s economic performance which indicates a relatively historical growth in its Gross Domestic Product; and

WHEREAS, the Leadership was presented with updates on the FSM Tax Reform, the Compact Trust Fund, and MiCare Program; and

WHEREAS, the Leadership was presented the plans for thirteen (13) KSDP sector and cross-sector areas: 1) Health; 2) Education; 3) Environment; 4) Tourism; 5) Fisheries; 6) Agriculture; 7) Business and Trade; 8) Energy; 9) Gender; 10) Culture; 11) Youth; 12) Infrastructure; and 13) Public Safety; and

WHEREAS, Health aims towards achieving improved health status of Kosraeans by provision of better health care as a result of better management and service delivery; and

WHEREAS, Education aspires on providing an education system that is holistically conducive and responsive to student learning and educational development of the Kosrae human resources; and

WHEREAS, Environment aims towards ensuring that the Kosrae environment is effectively sustained, managed, conserved and prosperous for the current and future generations; and

WHEREAS, Tourism aspires on achieving and sustaining a thriving Kosrae tourism industry; and

WHEREAS, Fisheries aims towards enhancing and maintaining coastal and off-shore fisheries activities in Kosrae to meet local and export demands; and

WHEREAS, Agriculture aims towards achieving improved agriculture production by healthy and committed people to support business development and food security; and

WHEREAS, Business and Trade aspires on realizing and sustaining a thriving private sector; and

WHEREAS, the energy sector aspires on becoming less dependent on imported sources of energy by having an increased share of renewable energy sources and having cross-sectoral energy conservation and efficiency standards in place; and

WHEREAS, Culture aims towards ensuring that the Kosraean culture is learned, sustained and promoted; and

WHEREAS, Gender aspires on ensuring that women have increased knowledge, skills and opportunities to enable them to participate in economic, political and social life; and

WHEREAS, Youth aspires on providing an environment and opportunities for Kosrae youth to enhance their interests, skills, and abilities; and

WHEREAS, Public Safety aspires on maintaining peace and safety; ensuring order and protecting the rights of all people in the State of Kosrae by professional delivery of law enforcement;

WHEREAS, Infrastructure aspires on effective implementation, management or maintenance of infrastructure necessary for development; now and therefore


BE IT RESOLVED, by the Kosrae Leadership Conference that, having being briefed on the ambitions and goals of respective sectors, and with the understanding that inputs and recommendations made in the Conference shall be incorporated in the formalization of the Plan, the Conference hereby endorses the KSDP sector aspirations and strategic targets; and

BE IT RESOLVED, that the Conference instructs the Kosrae Strategic Development Plan Steering Committee to finalize the plan to include details of action, associated budget, development of centralized data system, and a monitoring matrix; and


BE IT RESOLVED, that upon formalization and completion of recommendations made in the Conference, and upon transmittal of the Plan to the Kosrae State Legislature, the Conference hereby requests the Kosrae State Legislature to undertake appropriate enabling action and adopt the Kosrae Strategic Development Plan soonest time possible; and

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted to the Governor of Kosrae; the Speaker of the Kosrae State Legislature; the Mayor of each Municipality; the Chief Justice of the Kosrae State Court; the Chairman of the Chamber of Commerce; the President of the Kosrae Women Association; the Chairman of the Kosrae Council of Pastors; the President of the Kosrae Senior Citizens Association; the President of the Kosrae Youth Development Association; the President of the Federated States of Micronesia; and the Speaker of the Congress of the Federated States of Micronesia.

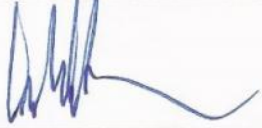
Signed this 1st day of August of the Year 2013:



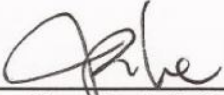
Hon. Carson Sigras
Lt. Governor
Conference Co-Chairman



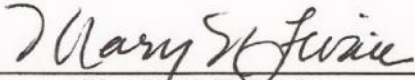
Hon. Lyndon H. Jackson
Governor
Kosrae State Government



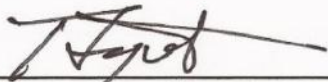
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Kosrae State Judiciary




Hon. Jacob Z. George
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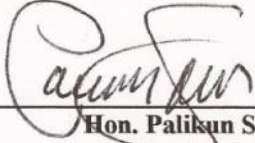
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President
Kosrae Women Association



Mr. Tatchuo Sigras
President
Kosrae Senior Citizens Association



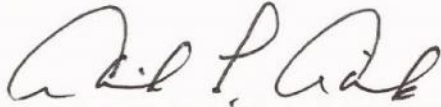
Mr. Hans B. Skilling
President
Kosrae Youth Development Association



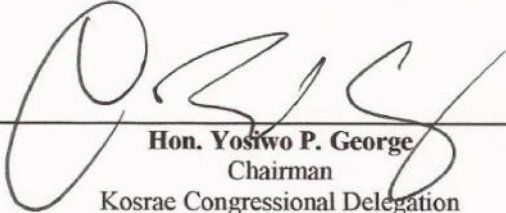
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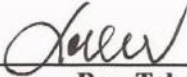
Hon. Gibson T. Siba
Speaker
Kosrae State Legislature



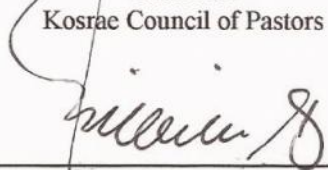
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Vice-President
FSM National Government



Hon. Yoswo P. George
Chairman
Kosrae Congressional Delegation



Rev. Takeo Likiaksa
Chairman
Kosrae Council of Pastors



Mr. Witson Phillip
Vice Chairman
Kosrae Chamber of Commerce

Chapter 1: Introduction

Kosrae is one of four states that make up the Federated States of Micronesia. Successive State Governments have worked creatively and hard to build a firm foundation to maintain the Island's quality of life and encourage a successful private and public sector.

This plan has been developed by the community and the stakeholders in Kosrae. We have looked at Kosrae and its place in Federated States of Micronesia and the North Pacific region and the opportunities and concerns that we face for the next 10 years.

Our issues are complex, and as observed during the consultation process 'they are all interconnected'. Our goal through this plan is to steadily build sustainability working across the social, economic, environmental and governance spheres to provide a place where residents live healthy, safe, productive lives in harmony with the cultural and natural richness of the island of Kosrae.

Kosrae may have a small population but is an island of unique natural and cultural resources and opportunities.

This plan is important to provide a clear vision and goals for the community to work towards and review these opportunities in line with the Long Term Fiscal Framework, other planning initiatives and changes in global and regional context.

What is the Kosrae Strategic Development Plan?

The Strategic Development Plan is a 10 year high level plan for Kosrae that identifies the needs of the State and articulates the vision, aspirations and priorities for Kosrae. It covers a wide range of stakeholders and all levels of Government and aims to:

- ❖ Inform longer-term decisions to be made by Kosrae in relation to policy, planning and resource allocation;
- ❖ Complement, guide and inform Kosrae's other strategic planning and budgeting systems and decision-making;
- ❖ Capture the expertise, interests and views of stakeholders representing the whole of the community (government, business, interest groups, individuals and community organizations) into a framework that describes how the community of Kosrae aspires to reach its full potential;
- ❖ Provides a means of informing other levels of government and external assistance agencies about our aspirations;
- ❖ Provide a basis for transparency and accountability through strategic planning matrixes for the development and implementation of operational and action plans.

A Sector Approach

The Strategic Development Plan has been formulated around Sector plans that have come from the consultations and existing documents/plans. There are 5 sectors that are included in the plan as matrices that broadly follow the national FSM 2004-2023 Strategic Development Plan and can be reviewed against progress alongside existing planning and budgetary/review processes:

- ❖ Health;
- ❖ Education;
- ❖ Private Sector Development;
- ❖ Environment; and
- ❖ Culture & Social.

There are other common areas that are included in the plan such as:

- ❖ Capacity Building;
- ❖ Governance & Fiscal Management;
- ❖ Infrastructure; and
- ❖ Public Safety.

Process and Approach Taken

A 'place based' and 'community led' approach to the consultation and data collection process was undertaken to ensure the unique character of each area and sector is reflected in the plan. A desk-top analysis was carried out in addition to review of over 50 existing plans. A consultation and engagement phase took place from February to May, 2013 that included consultations in the 4 municipalities and stakeholders of respective development sector.



Information and updates were published on a SDP Facebook page and media releases were issued at key stages in the planning project. The Project Team directly interviewed people by phone and in person; information was gathered from the 2013 Close Up program and high school students; Strategic Development Plan updates were given to group, executive and sector meetings and there was at least one community meeting in each municipality as well as several sector based workshops.

The planning approach included:

- ❖ Strategic planning with key decision makers and representatives Legislature and Municipality leadership.
- ❖ Strategic planning with residents and stakeholders across Kosrae and the region.
- ❖ Community of interest planning with sectors.

People were asked what was important for their State, municipality, sector and local area over the next 10 years and plan how they can achieve or address these in terms of:

Issues	What needs to change? What needs to stay the same?
Assets	What do we already have (natural, built and human systems and capacities) to help us achieve what we believe is possible for our municipality, sector and locality over the next 10 years.
Opportunities	What are the opportunities for our sector/area?
Constraints	What is limiting our sector/area?

The strategic plan project was overseen by a Governor-formulated Steering Committee that consisted of Municipal Mayors, broad stakeholder representation and executive staff to ensure representation across various sectors and equity groups. Creation of the Steering Committee by way of Governor’s Executive Order was intended primarily to provide a mechanism providing guidance and establishing a juncture for stakeholder representation to have its ‘say’ in the planning and development stage of the SDP. The Steering Committee was kept updated by e-mail and came together at strategic points throughout the strategic planning process.



The SDP project also included two groups instrumental in the planning and actual development of the plan. A Project Team was formulated, consisting primarily of Officials and technical staff from the two government entities collaboratively spearheading the development of the SDP, as well as the Co-Chairmen of the Steering Committee. Several members of the Steering Committee assisted in the sector workshop and municipal consultation facilitation.

A group of sector facilitators was formulated and subsequently played an instrumental part in the development of the SDP. A number of individuals from respective sectors and component sub-sectors

played a vital role as 'Sector Facilitator,' facilitating sector workshop and compiling workshop results to develop a sector logistical framework (logframe) or action plan. Sector Facilitators undertook a 4 day facilitation course with SPC in Kosrae to enable local committee members to undertake the facilitation of sector workshops. SPC also provided technical planning expertise to the project over several months.

The SDP process received numerous of ideas, solutions, issues and information over a range of topics through the process. The insights and participation from those who were involved was very valuable and for some groups it was the first time they had participated in such a planning exercise.

The State Governments role in furthering this plan and vision is both directly through the provision of services infrastructure and facilities and indirectly through the role of facilitator or advocate. A range of other organizations and groups including the private sector, trusts and corporations, government and non-government organizations are working on a range of projects and programs that may also contribute to achieving the community vision and the State will work co-operatively with these organizations.

Chapter 2: About Kosrae

Kosrae, formerly known as Kusaie, is one of the four states of the Federated States of Micronesia. Located 5°9' north latitude and 163° east longitude, Kosrae is the eastern-most state in the FSM.

Although Kosrae is the smallest out of the four FSM States in terms of total landmass and population, it is the second largest single island in the FSM.

Kosrae is also known as the 'Island of the Sleeping Lady' coined after Kosrae's famous landmark of mountains and hills forming a side view silhouette of a lady in sleep. In addition, given Kosrae's many natural beauties, Kosrae is also known as the 'Jewel of Micronesia.'

Geography

- ❖ Kosrae is a high island, covered with lush tropical jungle.
- ❖ The Kosrae State land area is 42.3 sq.miles, or over 15% of the FSM area (270.8 sq. mile).
- ❖ 70% of the interior is made up of mountain ridges, and peaks and valleys; remaining land area is foot slopes, bottom lands, mangroves and coastal strips.
- ❖ Mt. Finkol offers the highest peak in Kosrae, standing 2,064 feet above sea level.
- ❖ Water area: Kosrae has jurisdiction over water within 12 miles off its engulfing fringing reef.
- ❖ Kosrae is surrounded by a fringing reef, which offers easy access to diving.
- ❖ The fringing reef is broken only by four natural harbors: Lelu in the east, Utwe in the south, Okat in the north-west and Yela in the west.
- ❖ Kosrae is subject to the tropical weather influences. Severely affect infrastructure due to the harsh weather and climate change impacts.
- ❖ Kosrae has a number of significant protected areas including:
 - YELA: *Ka* protected area
 - Utwe Biosphere Reserve
 - Others in the process of being established as protected areas.



Kosrae is politically and administratively organized into four municipalities within the State:

1. Tafunsak;
2. Lelu;
3. Malem; and
4. Utwe.

Result of the municipal consultations highlighted the opportunities and strengths of respective municipalities and are highlighted below.

<u>Utwe</u>	<u>Malem</u>
❖ Natural resources: mangrove, harbor, streams/rivers, marine resources, etc...	❖ Topographic features: flatlands for farming;
❖ Historical sites: Menke Ruins	❖ Location: potential development of surfing site;
❖ Harbor	❖ Ethnically diverse citizenry.
❖ Utwe Biosphere Reserve	
<u>Lelu</u>	<u>Tafunsak</u>
❖ Location: state capital	❖ Location: most suitable for infrastructure (airport, dock, etc...)
❖ Historical sites: Lelu Ruins, etc...	❖ Land Area: largest in the state
❖ Economic potential: business/development hub	❖ Land features: land for farming, beaches for potential tourism activities, etc...
❖ Most populated municipality.	
❖ Lelu Harbor	

Municipal consultation results also highlighted a number of areas of interest that were common across the Kosrae municipalities:

- ❖ Preservation of cultural and traditional values;
- ❖ Conservation and protection of the environment;
- ❖ Consensus support of conservative and prudent tourism development;
- ❖ Improving on human resource (education, health, skills, etc...);
- ❖ Altering inefficient and economical social practices (funeral practice, etc...) and unproductive behavior and attitude of the people; and
- ❖ Providing opportunities to improve and sustain the health of respective municipal citizenry through fitness and/or recreational facilities.

Demography

- ❖ The Kosrae State population in 2010 is 6,616; Kosrae makes up just over 6% of the FSM population (102,843).
- ❖ Population declined over 13% in 2010 (2000 population: 7,686)
- ❖ Population density (person per sq. mile): 156 (lowest in the FSM).
- ❖ Approximately half of the population live in Lelu and Tafunsak and small localities;
- ❖ Median age is 21.8 (2010).
- ❖ Sex ratio in 2010 (males per 100 females): 102.7
- ❖ Males: 3,352, Females: 3264 (2010)
- ❖ Literacy rate (2010): 96.7% overall
- ❖ 98.9% of working age population (15 age and older) is literate.
- ❖ 90.1% of population of 5 years of age and older is English literate.
- ❖ Over 55% of population aged 25 and older graduated from high school.
- ❖ 22% of population aged 25 and older graduated from college or attained higher level of education.

Source: 2010 FSM Census of Population and Housing
Office of SBOC, FSM



Economy

- ❖ 2,118 people visit Kosrae in 2012, of which 918 are tourists (KVB).
- ❖ There are 1,143 households in 2010.
- ❖ Average household size: 5.7
- ❖ The household residence occupation is declining as outwards migration occurs.
- ❖ The State Government is heavily reliant on US government grant funding and other external assistance.
- ❖ Kosrae receives an estimated over \$600,000 in remittances (cash) from overseas annually.
- ❖ Kosrae has a labor force of 2,240, with 1,725 employed and 515 unemployed in 2010.
- ❖ Unemployment rate was 23% in 2010.
- ❖ Over 30% of individuals in Kosrae aged 15 and older had access to internet in 2010.
- ❖ Kosrae has 1 international airport.
- ❖ There are two (2) docks serving Kosrae: Okat Dock and Lelu Dock.
- ❖ There are 23.2 miles of sealed primary and secondary roads and 8 miles of unsealed roads.

Kosrae Economic Performance

Kosrae's economic performance from the early Amended Compact era had largely been short of impressive however had seen improvements in the few years leading up to 2011. Kosrae experienced declining economic performance from the 2 years prior to the introduction of the Amended Compact and extended into the first 5 years of the Amended Compact. While the economy significantly declined in 2008, it showed recovery in the ensuing years, eventually surpassing the 2004 GDP level in 2011. Figure 1 shows Kosrae's real GDP in the period starting from 2002 through 2011.

Figure 1: Kosrae Real GDP, 2002 - 2011

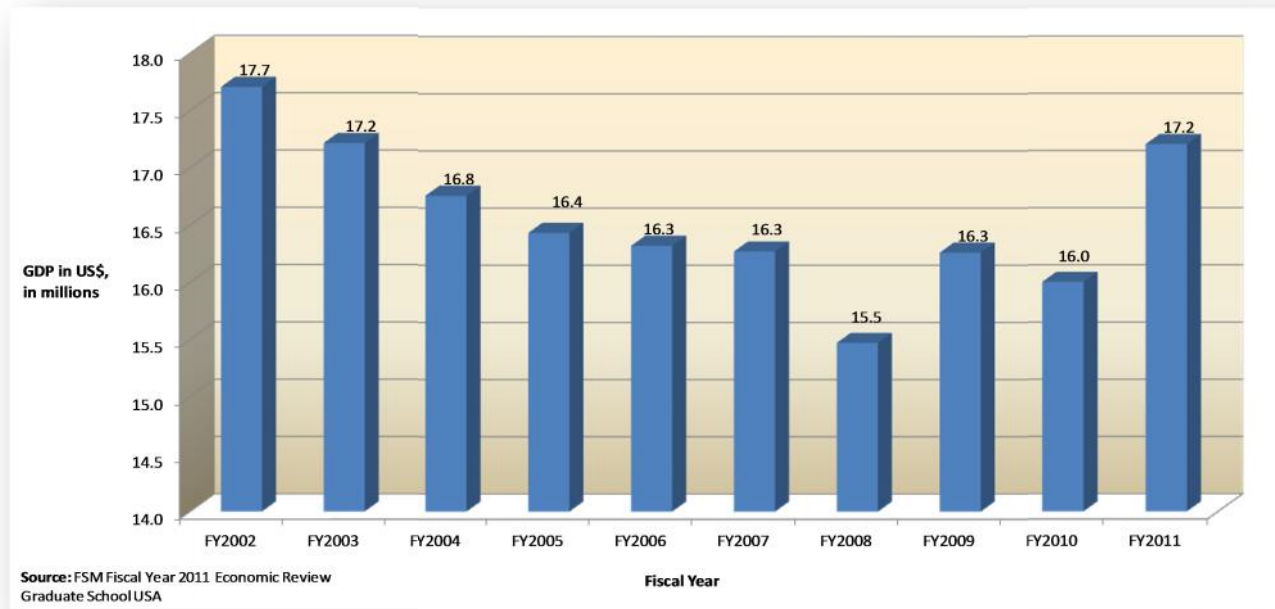


Figure 1 shows the following:

- ❖ Downward trend from 2002 to 2008 with economy contracting in each successive year;
- ❖ Economy contracted over 12% from 2002 GDP level of 17.7 million (US\$) to 15.5 in 2008;
- ❖ Recovery from 2009 – 2011 with the GDP increasing to \$17.2 million in 2011, equaling the 2003 GDP level.

Stagnant economic performance in 2002 to 2008 was largely impacted by the introduction of the Amended Compact in 2004, wherein Kosrae and the FSM saw considerable decrease and/or loss in financial assistance from the Amended Compact in a number of areas. With the State losing funding for a number of service/functions, immense pressure was placed on the local revenue necessitating the State to undertake painful adjustments. As can be recalled, these adjustments were made by way of cuts in government expenditure and revenue efforts. The expenditure cuts entailed elimination of upwards of 100 government positions in a Reduction-In-Force (RIF) Program in 2008; across the board pay cut; among other expenditure cutting measures. With government expenditure being a major component of the Kosrae economy, the expenditure cuts was felt in 2008 as GDP substantially decreased to \$15.5 million.

2008 served as a low point for Kosrae. Rightfully so, improvement was realized in the ensuing years leading up to 2011.

Figure 2: FSM States Real GDP Annual Percentage Growth, 2002 - 2011

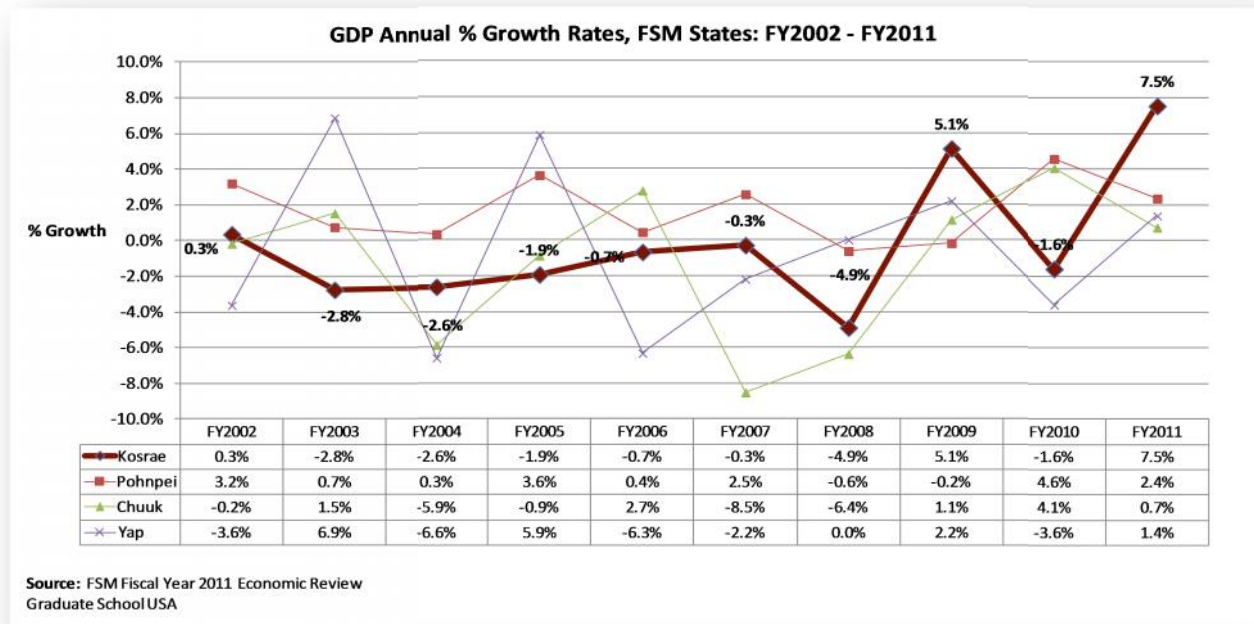


Figure 2 shows the annual real GDP percentage growth. The dismal economic performance in 2002 to 2008 shown on Figure 1 is also reflected on Figure 2. Kosrae’s growth in the period (2002 to 2011) is charted and represented by the dark red/maroon data series. As can be understood from both Figures 1 and 2, Kosrae experienced negative annual growth with an average growth rate of – 1.3% from 2004 to 2007. Kosrae however experienced a relatively drastic decrease in 2008 in particular with a decrease of 4.9% from the 2007 GDP level. In this timeframe (2004 to 2008), Kosrae’s economy contracted over 12% from \$17.7 million in 2004 to \$15.5 million in 2008, a decrease of \$2.2 million.

The Kosrae economy showed improvement in the years following 2008. Albeit only on a short term of three years, Kosrae averaged 3.7% growth per year from 2009 to 2011. The economy grew and ultimately reverted to the 2007 GDP level at \$16.3 million. Through 2009 to 2011, the economy grew at 3.7% on annual average. Furthermore, Kosrae experienced quite a historic growth in 2011 with the GDP growing 7.5% from the 2010 level, ultimately reaching over \$17 million in 2011.

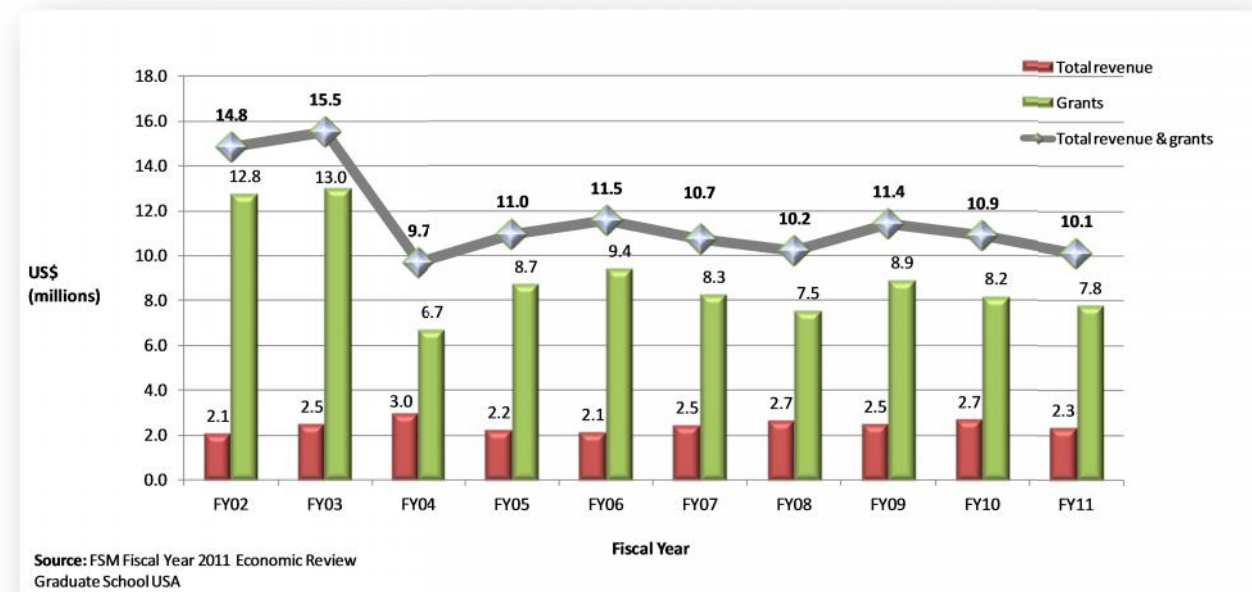
Improvement in economic performance after 2008 was influenced by a number of factors. Among the factors contributing to improved economic performance during the time was investments in construction. A number of infrastructure projects was undertaken during this period and contributed to the economy. In addition, mobilization of Amended Compact grants as well as the State’s improving fiscal position were also factors contributing to the Kosrae’s improved economic performance after 2008.

Government Finance

Figure 3 provides a snapshot of Kosrae’s funding pattern with regard to locally generated revenue and external funding in the ten years leading up to and including 2011. Figure 3 categorizes Kosrae’s funding to two sources: 1) Local revenue; and 2) External Grants.

Figure 3 shows fluctuating levels of funding for the state in the ten years, 2002 to 2011. A large part of Kosrae’s funding in the years shown on Figure 3 was from external sources; primarily, financial assistance provided through the terms of the Amended Compact. Figure 3 shows a generally decreasing trend in Kosrae’s total level of funding, with respect to the funding levels from FY2002 through FY2011.

Figure 3: Kosrae Financial Sources, 2002 - 2011



Kosrae’s finances have primarily been funded through external grants. Through Kosrae’s more recent history, Kosrae has been the recipient of substantial external assistance with grants accounting for over 78% of total revenues¹. With the State Government’s level of expenditure averaging over \$12million per fiscal year, and with financial grants provided through provisions of the Amended Compact between the US and the FSM accounting for an average of 66% of total revenues through the ten-year period, the ratio of the levels of revenue generated locally per annual term and indicate an unfavorable fiscal outlook for Kosrae post 2023.

As the continuity of financial assistance provided through the Amended Compact still remains a question, and considering the fact that a large part of Kosrae’s funding comes via financial assistance from the Amended Compact, the aspect of financial sustainability comes to light. It is understood that

¹ Average of grant as percentage of total revenue in Kosrae in a 10-year period: 2002 to 2011.

sustainable financing for Kosrae is not a new issue; however, the challenge remains for Kosrae to undertake prudent planning and developing sound development policy to a point where there is apparent improvement in Kosrae's financial capacity.

Analysis provided in this section shows improvement in economic or fiscal performance for Kosrae in the years leading up to 2011. Although the impact of reforms undertaken 2008 or prior were initially adverse to some degree, it laid ground for improved fiscal and economic performance for ensuing years, shown particularly in 2011. The combination of economic policy and fiscal reforms undertaken in the period of the analysis resonate the notion that prudent planning, investment and sound policy are essential to achieving socio-economic development validates the need for an overarching development plan that serve as a tool and roadmap to guide and ultimately ensure prudent planning and development in Kosrae for the next 10 years or beyond.

Furthermore, in light of Kosrae's financial capacity and Kosrae's development ambitions requirements, which would be further discussed in the Development Strategies section, there is apparent need for increased and more dynamic role of the ODA facilitation and coordination in the State.

Chapter 3: Development Strategies

Kosrae SDP, as its name would suggest, serves as a tool for guiding and fostering socio-economic development in Kosrae. At a broad level, and through the goals and strategic targets laid out in the five (5) major development sectors:

- | | |
|---|---|
| <ul style="list-style-type: none">❖ Health;❖ Education;❖ Environment; | <ul style="list-style-type: none">❖ Private Sector; and❖ Social and Culture. |
|---|---|

The development sectors of the Kosrae SDP listed above are analogous to the parts of a machinery where a specific part performs a vital particular task(s) that when performed simultaneously with that of other parts, moves in cohesion and ultimately achieves the specific purpose of the machinery. This is the essence of the 5 development sectors of the Kosrae SDP:

- ❖ The private sector plays the role of producing jobs, providing income and generally plays a role in providing for the economic well-being of Kosrae;
- ❖ Education plays a role in preparing and developing a good labor force essential for supporting economic, social, political and cultural development;
- ❖ Good health of the citizenry ensures long-term economic growth. It is generally the case that good health standards of an entity – low infant mortality and increasing/higher life expectancy, etc... - correlate to higher economic growth and thus equates to a good standard of living.
- ❖ Managing development to ensure sustainable use of the natural environment and resources, and ultimately ensure future generations of Kosraeans also benefit from Kosrae’s natural resources and natural heritage; and
- ❖ Preserving and promoting a way of life that promotes the safety, equality, and social development of the Kosrae citizenry.

At a macro perspective, as sector roles are performed or achieved simultaneously and in a cohesive nature, the environment and prospect of achieving sustainable development is enhanced.

Efforts have been made to promote sustainable development in Kosrae and generally in the FSM as well. Per recent history, a “Kosrae State Action Plan (KSAP)” was utilized for the purpose of guiding development in Kosrae. However, KSAP expired in 2008 instigating effort to be undertaken to develop a development plan to guide and inform development in Kosrae for the next 10 years or beyond. Granted, the next 10 years present a multitude of challenges that Kosrae must contend with to achieve its goals or ambitions as set in this planning document.

As may be the case with the four governments in the FSM, Kosrae is presented with the challenge of establishing a foundation on which development in Kosrae for the ensuing ten years for the interest of promoting and ultimately achieving sustainable development. Kosrae has been recipient of substantial external assistance with grants accounting for over 81% of total revenues². The path toward self-sufficiency requires significant closing of the gap between grants and domestically generated revenue,

² Average of grant as percentage of total revenue in Kosrae in a period starting from 1995 to 2011.

and furthermore requires the need to be developed in all facet of the society. Self-sufficiency in this context is understood to be a long-term ambition, however entails that a sound foundation and direction for development is established in the near term and adhered to over the course of the KSDP and beyond.

The process of developing the KSDP included consultations with respective sector stakeholders and resulted with each sector developing its sector plan. Sector plans utilize a logistical framework approach³, establishing an overall goal, results – similar to strategies to achieving the overall goal, activities, among other details. Sector plans are developed with the intent of providing a working document for respective sector to implement through the plan duration. Kosrae SDP highlights summary of sector plans however is not inclusive of actual and detailed sector plans developed by respective sectors in the formulation process of the Kosrae SDP.

As previously discussed, the process undertaken to develop the KSDP included consultations with sector stakeholders, as well as stakeholders of component sub-sectors: i.e., Private Sector and Culture & Social. Sector logframes were developed based on result of consultations and sector workshops. Full sector logframes are included as appendix to this document.

Kosrae Overall Goal

The long-term ambition for Kosrae is to ultimately achieve sustainable development. Development in this essence is inclusive of economic and social development which is envisaged to ultimately translate to improved economic and social well-being of the Kosraean people. As such, the overall goal and measurable for Kosrae are as following.

<u>Overall Goal</u>	<u>Indicators</u>
<p>“To achieve economic advancement and budgetary self-reliance.”</p>	<ul style="list-style-type: none"> ❖ 3% annual GDP growth rate; ❖ 30% annual public and private investments; and ❖ 20% tax-GDP ratio by 2023. ❖ 60/40 private sector-public sector employment by 2023; and ❖ GDP per capita income increase of 30% by 2023.

The overall goal is in essence a statement of the long-term ambitions for Kosrae at the macro level. Kosrae’s overall goal aims at achieving economic growth, stability and equity while improving the social well-being and equity of the Kosraean people as well.

³ Logistical Framework often referred to in this document as ‘logframe,’ used interchangeably with Sector Matrix

Health

The aspiration for the Kosrae health sector is to achieve improved health care services to the people of Kosrae. Similar to the other development sectors of the KSDP, the Health Sector plan establishes a roadmap for the sector to adhere to for the ensuing years. The vision for the health sector is to ultimately realize **“Better health care services and management for better health and life for all Kosraeans.”**

Resulting from consultations and workshops held with stakeholders of the health sector, a development goal for the sector and its objectively verifiable indicator were established, and are as following:

<u>Overall Goal</u>	<u>OVI</u>
“Health status of Kosraeans improved by provision of <u>better health care</u> as a result of <u>better management</u> and <u>service delivery</u> .”	“At least 2% annual decrease in health problems inclusive of cases of NCDs, chronic diseases and common illnesses”

The Health sector plan clearly indicate indicates its aspirations through its overall goal and objectively verifiable indicator.

Six (6) Results and/or objectives necessary for achieving the overall health sector goal were identified in the sector workshop, which were further reviewed and endorsed by the Kosrae leadership in the 2013 Kosrae Leadership Conference:

Result 1. Improved and sustained health care services;

Result 2. Improved capacity management and increased competence of the health workforce;

Result 3. Sustainable health care financing system established and maintained;

Result 4. Facilities and equipment provided, improved and maintained;

Result 5. Health awareness and education strengthened; and

Result 6. Health activities properly monitored and evaluated.

Table 1-A: Health Results and Strategic Targets

<i>Results</i>	<i>OVI</i>
1. <i>Improved and sustained health care services</i>	❖ By 2018, at least 50% increase in community members' access to medical or health care services.
	❖ By 2018, at least 5% of common health problems decreased
	❖ By 2018, 20% reduction of risk factors contributing to NCDs
	❖ By 2017, at least 10% decrease in hospitalization rate
	❖ By 2017, at least 10% decrease in hospitalization rate
	❖ By 2018, performance in health services improved by 10% annually per performance surveys.
	❖ Infant Mortality Rate is reduced to less than 16/1000 2015.
	❖ Provide and maintain health treatment service to 100% of mentally ill patients.
2. <i>Improved capacity management and increased competence of the health workforce</i>	❖ A 30% increase in number of students engaged in health activities in schools by 2018
	❖ Chronic Diseases (Diabetes, Heart Disease, HTN) incidence rate will decrease by 25% each year.
	❖ By 2015, identify potential students for MBBS program, nursing and Allied Health fields.
	❖ By 2017, potential health professionals to undergo post graduate studies in specialty areas in medicine/nursing/allied health.
3. <i>Sustainable health care financing system established and maintained</i>	❖ At least a 50% increase in revenue generated from medical services by 2018
	❖ By 2014, 5% of collection to be earmarked for billing/collection system maintenance
	❖ By 2014, 45% is earmarked for pharmaceuticals and medical supplies
	❖ By 2015, 50% of collection is earmarked for health operation, services improvement and off-island medical referral
4. <i>Facilities and equipment provided, improved and maintained</i>	❖ By 2015, one (1) new facility/hospital built and meets required health care facilities standards;
	❖ 75% of essential diagnostic equipment and other equipment necessary for carrying out proper health care services are provided by 2020.
	❖ By 2015, 10% decrease in occupancy rate
5. <i>Health awareness and</i>	❖ At least twenty (20) health awareness programs conducted in the communities annually.

<i>education strengthened</i>	❖ By 2018 at least 40% of the communities adopt basic health hygiene practices and healthy lifestyle choices.
	❖ A 30% increase in number of students engaged in health activities in schools by 2018.
6. <i>Health activities properly monitored and evaluated</i>	❖ One (1) HIS inclusive of all health service data/information established and maintained by 2016.
	❖ Twelve (12) monthly reports of health services submitted annually.
	❖ Improvement by 10% each year for the next five years

Sector workshops further identified activities, estimated costing, timeframe, and other information necessary for planning and implementation of Results and activities. Shown hereafter are activities and costing requisite for achievement of respective Results and achieving the Health overall goal at the broader level.

Table 1-B: Health Result 1 Activities and Costs

<i>Result 1</i>	<i>Activities</i>	<i>Cost</i>
<i>Improved and sustained health care services</i>	❖ Increase access to medical services via decentralized services at the municipal level	\$380,000
	❖ Medical services made affordable to patients through local insurance	\$20,000
	❖ Universal health insurance scheme provided for concerned community members	\$20,000
	❖ Consistent supply of quality pharmaceutical and medical supplies maintained	\$415,000
	❖ Cost effective fees schedule established, enforced and maintained	\$175,000

Result 1 intends on improving and increasing people’s access to medical health care services. As indicated in the activities listed in Table 1A, Result 1 aims on increasing access to health care services through a number of areas.

Due to the fact that Kosrae’s medical facilities are situated at the state capital, Result 1 intends on improving and increasing access to health care services by decentralizing care services via establishment of health clinics and outposts at the communities. The rationale behind decentralizing care services is to bring services closer to consumers in need however do not have the means to commute to and fro Tofol for medical or health care needs.

Result 1 of the Health Sector also intends on improving consumer access to medical and healthcare services by ensuring that more affordable healthcare is provided to consumers. It is taken into consideration the economic hardship facing Kosrae consumers which may be a contributing factor to why prospective consumers may be unable to afford and utilize medical and healthcare services. From the discussions held in the health sector workshop, more affordable medical and healthcare is ensured through the provision of both universal and local health insurance schemes.

Result 1 of the Health Sector plan also addresses consumer access to pharmaceuticals and quality medical supplies. The Health Sector plan is keen on improving and increasing consumer access to pharmaceuticals and quality medical supplies. Realizing increased consumer access to pharmaceuticals and quality medical supplies is ensured through allocation of funding towards pharmaceuticals and medical supplies.

Next section (Education) starts on pg.21

Table 1-C: Health Result 2 Activities and Costs

<i>Result 2</i>	<i>Activities</i>	<i>Cost</i>
<i>Improved capacity management and increased competence of the health workforce</i>	❖ Integrate & upgrade into School Curriculum (Math, Science & English)	\$10,000
	❖ Develop and implement health care Capacity Development Plan (Human Resource Development)	\$15,000
	❖ Identify and utilize health care capacity development programs	\$50,000
	❖ Develop and adopt a Career ladder program (AHEC) * COM w/ SPC/UOG/FNU (POLHN)	\$10,000
	❖ Establish requirement for Mandatory Continuing Education (medical, nursing & ancillary) programs to improve (well-organized) and (incentivize advancement)	\$15,000
	❖ Support and encourage existing local career initiative programs (i.e., Job Shadowing, WIA)	\$10,000

Table 1-D: Health Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Sustainable health care financing system established and maintained</i>	❖ Establish and utilize an effective billing and collection system	\$15,000
	❖ Establish requirements to earmark share of collections for system maintenance, pharmaceuticals and medical supplies, operations and service improvement, among others.	\$50,000
	❖ Increased number of consistent health care awareness programs targeted for consumers	\$20,000
	❖ Carry out regular periodic monitoring and reporting on accounts - payables & receivables.	\$20,000

Table 1-E: Health Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Facilities and equipment provided, improved and maintained</i>	❖ Conduct regular facility and equipment maintenance through a facilities or infrastructure Maintenance Plan	\$10,000
	❖ Conduct unit audits on a scheduled basis	\$15,000
	❖ Conduct routine maintenance based on Maintenance Plan	\$15,000
	❖ Conduct certification trainings on equipment maintenance	\$15,000

❖ Facilities (e.g. storage) and transportation provided for proper transport, storage, inventory and dispensing	\$55,000
❖ Mortuary infrastructure or services improved or provided	\$50,000

Table 1-F: Health Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Health awareness and education strengthened</i>	❖ Health curriculum strengthened at the Elementary and Secondary Schools	\$5,000
	❖ Tailor health awareness programs targeting school children and youths to increase their involvement in disease prevention & control	\$5,000
	❖ Conduct an awareness program on the nutrition value of locally grown food	\$5,000
	❖ Develop awareness program with focus on promoting DIET – inclusive of yellow variety crops - and EXERCISE	\$5,000

Table 1-G: Health Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Health activities properly monitored and evaluated</i>	❖ Provide quarterly, six-monthly and annual updates of activities and financial progress reports	\$10,000
	❖ Conduct monitoring and evaluation of health activities	\$10,000
	❖ Provide success stories of impacts on family livelihood, lessons learned and recommendations	\$10,000

Kosrae Strategic Development Plan

Education

The vision for Kosrae’s education sector is to establish *“an education system that is transparent, accountable and responsive to the needs of the schoolchildren, the community, state of Kosrae and the nation.”*As previously discussed, education is a vital aspect of Kosrae’s development for the purpose of developing Kosrae’s human resources to drive Kosrae’s development.

The education component of Kosrae’s SDP is designed to support development of Kosrae’s human resources. Below are the overall goal and Objectively Verifiable Indicator (OVI) for the Education Sector development matrix - or as otherwise referred to, Sector Action Plan.

<u>Overall Goal</u>	<u>OVI</u>
“Providing an education system that holistically is conducive and responsive to student learning and educational development of the Kosrae human resources.”	“At least 2% improvement in the academic performance of students in the Kosrae education system annually.”

As can be drawn from review of Results and activities, the education plan is keen on improving on the services requisite to improve and increase student learning or academic knowledge. In summary, actions to improve student learning and academic performance include:

- ❖ improving the capacity of teachers to deliver instructions in professional and effective manner;
- ❖ revisit, update or realign the curriculum as necessary; and
- ❖ provide learning support services (laboratories, etc...), and necessary learning materials.

Community involvement, participation and support to a student’s learning or school activities are acknowledged as important to a student’s learning. Kosrae SDP, through the education action plan, attempts to improve on these areas. Although accomplishing such feat is understood to be a challenge, it is acknowledged that a student’s learning does not end at the school but requires active participation and support from parents and the community; and thus effort must be made to improve on these areas regardless.

Kosrae is also keen on building vocational and technical skills of Kosrae’s students. Education’s plan pursues establishment of an institution to provide a career pathway program for who may wish to pursue a career in the trades. Per discussions from consultations and workshops, such institution would focus on developing various vocational and trade skills: e.g., farming, carpentry, technological skills, and etcetera.

Review of the Education Sector Action Plan results and activities is essential for one to fully grasp the full intend of the plan. Following are tables listing the Results, Strategic Targets, Activities and Costs – all extracted from the Education Sector Action Plan.

Table 1-H: Education Results and Strategic Targets

Results	OVI
1. Updated and rigorous curriculum standards for academic, vocational and technology are delivered to all Kosrae students with core contents on vocational, career and technical education; technology; and cultural and local vernacular.	❖ 100% of required curricula for pre-primary, primary and secondary level in Kosrae are updated and implemented by 2016.
2. Capacity of Teaching Staff Improved.	❖ 100% of teaching staff meets the FSM Basic Teaching Certification by September, 2015. ❖ At least 55% of the teaching staff meets the FSM Advance Certification requirements by 2018
3. Improved Students Performance to increase Post-Secondary Admission.	❖ Annually 60% or above of graduating high school students meets college level admission requirements by 2018.
4. Accurate and up-to-date data for decision making, program designing and reporting established.	❖ By 2014, one (1) education data collection and monitoring system is established and continuously updated.
5. Ownership and Partnership on roles and responsibilities of parents and community for their community school is realized and practiced.	❖ By 2017, at least 50% of parents and stakeholders are involved in all school activities. ❖ At least 90% of parents are updated on all Kosrae schools activities, provided and trained on the school curriculum on a one (1) week awareness training annually.
6. Infrastructure to support students learning is safe and adequate.	❖ 100% of public schools on the island equipped with libraries and science laboratories to support students learning by 2018. ❖ 100% of Kosrae school facilities are upgraded by 2023.
7. Improved students' and teachers' attendance	❖ The number of quarterly absences made by the students will be reduced by 40% beginning school year. 2016. ❖ By 2016, the number of Kosrae teachers' absences is decreased by at least 50%.
8. Supplemental educational programs and resource centers are made available to support students learning	❖ 100% of students in need of accelerated instruction will have access to supplemental instructional activities throughout each school year by 2017. ❖ 100% of children with learning disabilities and in need of special education services will be provided with individualized instruction and related services in all public school

	system in Kosrae by 2023.
	❖ 100% of the public schools have high speed internet connection 2015.
9. <i>Instructional materials are adequate and relevant for each subject taught</i>	❖ 100% of the Kosrae public schools are provided with adequate instruction materials and supplies annually.
10. <i>School Improvement Plans reviewed and updated (SIP)</i>	❖ 100% of SIPs are updated based on previous year performance results and implemented annually beginning 2014.

Table 1-I: Education Result 1 Activities and Costs

<i>Result 1</i>	<i>Activities</i>	<i>Cost</i>
<i>Updated and rigorous curriculum standards for academic, vocational and technology are delivered to all Kosrae students with core contents on vocational, career and technical education; technology; and cultural and local vernacular.</i>	❖ Curriculum guides are revised and implemented	\$26,000
	❖ Locally develop supplemental instructional materials for core subject areas.	\$45,000
	❖ Curriculum standards, benchmarks and students learning outcomes mapped out and implemented at the school level.	\$25,000
	❖ Provide training to teachers on how to properly and effectively use the updated Core Curriculum and completed mapped curriculum	\$35,000
	❖ Deliver well rounded instructional activities to all school children	\$1,800,000

Table 1-J: Education Result 2 Activities and Costs

<i>Result 2</i>	<i>Activities</i>	<i>Cost</i>
<i>Capacity of Teaching Staff Improved.</i>	❖ Training activities for degree attainment (associate or bachelor) and teaching pedagogies delivered to the teachers.	\$145,000
	❖ Monitor curriculum delivery and teaching strategies all teachers through prepared and submitted lesson plans by each teacher.	\$30,000
	❖ Establish and enforce requirement for teachers to participate in upgrading training or workshops twice a year.	\$40,000
	❖ Establish and enforce requirement for teachers to complete 10 hours of curriculum upgrading training or workshop each year	\$50,000
	❖ Provide training or workshop on teaching strategies or methodology and establish and enforce mandatory of 8 hours of teacher participation in such workshops	\$20,000
	❖ Conduct bi-annual teacher observation or evaluation on teacher’s instructional delivery	\$18,000

Table 1-K: Education Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Improved Students Performance to increase Post Secondary Admission.</i>	❖ Establish grade level performance standard or requirements for all grade levels.	\$5,000
	❖ Deliver training and upgrading to upgrade teachers' knowledge and skills.	\$40,000
	❖ Provide appropriate facilities or environment inclusive of laboratories or shops, and information resource to support	\$3,500,000

learning centers.	
❖ Established articulation of high school curriculum with college curriculum in core content and Career & Technical Education. Rephrase	\$35,000
❖ Provide career guidance, counseling and pathways for high school students.	\$120,000
❖ Establish a systemic process for human resource development to ensure responsiveness to the States workforce needs.	\$19,000

Table 1-L: Education Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Accurate and up-to-date data for decision making, program designing and reporting established.</i>	❖ Time clocks are installed in all schools for staff, and teachers' records, daily attendance, absences and late arrivals of students are kept.	\$2,500
	❖ Daily attendance, absences and late arrivals of students are recorded and kept.	\$1,500
	❖ Time cards are submitted along with timesheets biweekly.	\$500
	❖ Data is collected, cleaned and stored electronically with back-ups.	\$3,000
	❖ Data are updated weekly and sent to DOE Central Office for updating of DOE Data System	\$2,500
	❖ Maintain monthly monitoring and updating of education account balances and provide account status to DOE Director and other appropriate coordinators of education programs.	\$4,500
	❖ Conduct quarterly and end-of-school-year inventories on all school assets or supplies, inclusive of furniture, equipment, supplies, instructional materials, etc... and maintain computerized files on all inventories.	\$2,600
	❖ Conduct quarterly update on files and provide reports to DOE Director, and appropriate school, division and program heads.	\$2,500
	❖ Complete all cumulative reports and file them quarterly.	\$2,000
	❖ Collect names of Staff and PTA participants and store them securely	\$3,500
❖ Maintain computer files with back-ups on all NMCT and State test scores for students and NSTT scores for teachers.	\$500	

❖ Develop individual Degree plan for both undergraduate and graduate in-service teachers.	\$1,000
❖ Maintain computer files with back-up a database of Kosraean undergraduate and graduate recipients of state financial assistance with year indicating name of college or institution, majors, among others.	\$2,500
❖ Maintain daily records of the number of high school students riding on school buses indicating 'to' and 'from' locations and student gender	\$500
❖ Collect classroom observation data for each classroom teacher at least four times in a school year.	\$4,500
❖ Maintain records of monthly power and fuel consumption reports	\$5000
❖ Create and maintain a database of Computerize names of all names of valedictorians and salutatorians from each of the schools.	\$10,000

Table 1-M: Education Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Ownership and Partnership on roles and responsibilities of parents and community for their community school is realized and practiced.</i>	❖ Conference to improve or upgrade method and channel of communication among school and stakeholders	\$2,500
	❖ Deliver training sessions or workshops on curriculum to parents or stakeholders.	\$12,000
	❖ Provide access for parents to observe first-hand lessons delivered to their children.	\$3,500
	❖ Disseminate all pertinent information regarding school activities and governance to the parents and stakeholders ,	\$16,500
	❖ Deliver workshops or training sessions on potential roles and responsibilities of parents and community to the school.	\$10,000

Table 1-N: Education Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Infrastructure to support student learning is safe and adequate.</i>	❖ Provide safe and conducive physical learning environment	\$735,000
	❖ Provide adequate office equipment repair and maintenance on a regular basis.	\$120,000
	❖ Provide efficient transportation service to transport students to and from schools	\$200,000
	❖ Facilities and equipment maintenance plans are developed and implemented	\$1,000

❖ Adequate fuel, lubricants, replacement parts and accessories are made available.	\$250,000
❖ Training delivered to bus drivers on traffic laws, conduct, scheduling, maintenance, etc...	\$1,500
❖ Adequate toilet facilities are available and maintained	\$39,000
❖ Provide safe and adequate running water and electricity in all education facilities.	\$850,000
❖ Provide adequate furniture and other classroom fixtures for students and teachers.	\$250,000

Table 1-O: Education Result 7 Activities and Costs

<i>Result 7</i>	<i>Activities</i>	<i>Cost</i>
<i>Improved students' and teachers' attendance</i>	❖ Establish, implement and enforce attendance policies for students and inform parents and stakeholders.	\$100
	❖ Establish and implement leaves of absence or attendance policies for teachers to disseminate to all concern.	\$100
	❖ Monitor and collect data on all absents analyzed and utilized results for improvement activities	\$11,500

Table 1-P: Education Result 8 Activities and Costs

<i>Result 8</i>	<i>Activities</i>	<i>Cost</i>
<i>Supplemental educational programs and resource centers are made available to support students learning</i>	❖ Develop tutorial instruction services for all grade level for students with learning difficulties as well as high performing students.	\$250,000
	❖ Establish policies and procedures for enrolling students in accelerated program and tutorial services for learning difficulties.	\$1100
	❖ Upgrade, update and maintain school library resources and computer laboratories.	\$250,000
	❖ Develop and maintain a website for the Department of Education.	\$50,000
	❖ Connect all school networks to the DOE central Server with access to worldwide web.	\$5,000
	❖ Career Pathways education designed for high school students in vocational and technical education.	\$522,000

Table 1-Q: Education Result 9 Activities and Costs

<i>Result 9</i>	<i>Activities</i>	<i>Cost</i>
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<i>Instructional materials are adequate and relevant for each subject taught</i>	❖ Establish policies that allocate adequate amount per student on consumable material and supplies per year	\$375,000
	❖ Establish and implement policies and procedures for procurement of textbooks and supplemental instructional materials for the students	\$1,000

Table 1-R: Education Result 10 Activities and Costs

<i>Result 10</i>	<i>Activities</i>	<i>Cost</i>
<i>School Improvement Plans reviewed and updated (SIP)</i>	❖ Establish policy direction on SIP development for the Department of Education specifying timeframe and components of the annual plan	\$11,000
	❖ Annual dissemination of plan to stakeholders and monitoring of plan activities	30,000

Kosrae Strategic Development Plan

Environment

The vision for Kosrae’s environment sector is to achieve *“a sustainable, diverse and healthy environment respected and safeguarded by Kosraeans for present and future generations.”*

It is understood and acknowledged that Kosrae’s natural environment and resources are among Kosrae’s most valuable assets. As resonated through the Environment Sector’s overall goal, emphasis should be placed effectively managing, conserving and sustaining Kosrae’s environment for future generations.

<u>Overall Goal</u> “Kosrae environment is effectively sustained, managed, conserved and prosperous for the current and future generations”	<u>OVI</u> “Preservation, conservation and sustainable management of natural resources are adequately resourced at sector and all state and municipal levels”
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Effective management and conservation of Kosrae’s environment is addressed in Environment Sector’s action plan by way of eight (8) Results. In brief, Environment’s action plan addresses environmental management and conservation, waste management, invasive species control and prevention, protection of Kosrae’s biodiversity, disaster risks and climate change adaptation and planning, and creation of a financing mechanism to support environmental protection and management efforts.

During the formulation and consultation phase of the SDP, much concern was raised in the communities regarding measures to address or respond to naturally occurring events – rising water level, and erosion of coastal areas, for instance. It was decided that the most prudent approach to addressing effects of naturally occurring events (climate change or disaster risks) long term would to divert development and settlement along the coast to inland and higher grounds. As can be later noted in the plan financing section of this plan, implementation of the environment’s component of the SDP requires over \$20 million. This total cost is composed mostly of the estimated cost for diverting development and settlement inland: improving inner roads and encouraging the citizenry to settle inlands.

As far as environmental management is concerned, considerable concern was raised and received regarding the negligent behavior and attitude of some people in the community, particularly on the issue of littering and others relevant to degradation of the environment. It was brought to light and emphasized in near consensus in the consultations and workshop that enforcement of relevant laws or regulations is still an area that Kosrae must improve on.

The Environment’s Action Plan also acknowledges the potential impact invasive species may have on the Kosrae economy and the Kosrae people. It is acknowledged that considerable effort must be taken to manage, control or eradicate invasive species where possible, as well as control the Kosrae border to minimize the chance of invasive species entering Kosrae. In the following tables are the Results, strategic targets and activities in the Environment Action Plan.

Next section (Private Sector) starts on pg. 37.

Table 1-S: Environment Results and Strategic Targets

Results	OVI
1. <i>Impact of Coastal Erosion is minimized</i>	❖ By 2023, coastal erosion is adequately addressed, through promotion of community resilient and relocation strategies, and with enhanced awareness of underlying issues and causes of increasing coastal hazards.
2. <i>Natural Resources are effectively managed and conserved</i>	❖ By 2023, sustainable natural resource use is enhanced with effective conservation and social marketing principles.
3. <i>Effective waste management is achieved</i>	❖ By 2023, human-generated wastes are effectively managed to prevent and minimize environmental degradation, pollution, and loss of natural resources.
4. <i>Introduction and spread of invasive species prevented and minimized</i>	❖ By 2023, Border control, quarantine and eradication programs are effectively protecting Kosrae's natural resources and ecosystems from impacts of invasive species.
5. <i>Important ecosystems and biodiversity are protected, conserved and sustainably managed</i>	❖ By 2020, protection of important ecosystems and biodiversity is enhanced with increasing areas on marine and land, under effective protection measures.
6. <i>Communities are resilient to impacts of climate change and disaster risks</i>	❖ By 2023, capacity is strengthened at all levels to climate change adaptation, and management and mitigation of risks of disasters enhanced.
7. <i>Community participation, commitment and support toward conservation programs are enhanced</i>	❖ By 2020, Kosrae communities are fully aware of the importance of conservation, and fully involved in the protection, preservation and sustainable utilization and management of natural resources
8. <i>Sustainable financing mechanism is established to support conservation and environmental protection efforts</i>	❖ By 2023, sustainable financing is in-place, fiscally operational, supporting Kosrae natural resource conservation and management entities, and community organizations

Table 1-T: Environment Result 1 Activities and Costs

Result 1	Activities	Cost
<i>Impact of Coastal Erosion is minimized</i>	❖ Enforcement and awareness programs strengthened	\$5,000
	❖ Comprehensive awareness programs of human-induced causes developed and implemented	\$7,000
	❖ Regulations for deforestation, and human-induced, enabling causes of coastal erosion developed	\$1,500
	❖ Resource and equipment audit to identify resources/equipment needs to support effective enforcement developed	\$2,000

❖ Adequate resources and equipment for enforcement provided	\$25,000
❖ Financial resources for coastal protection measures secured from non-compact funding sources	\$3,000,000
❖ Policy to promote relocation of settlement from coastal areas developed	\$3,000
❖ Relocation of Infrastructure, Utilities, and improvement of Access Roads, etc., are assessed and monitored	\$10,000,000
❖ Climate proof measures integrated in Coastal Management Plan and implemented	\$10,000,000
❖ Update, finalize and enforce Development Review Regulations	\$2,400
❖ Alternatives to sand and cobbles explored and utilized	\$5,000
❖ Tree planting on coastal areas conducted	\$30,000

Table 1-U: Environment Result 2 Activities and Costs

<i>Result 2</i>	<i>Activities</i>	<i>Cost</i>
<i>Natural resources are effectively managed and conserved</i>	❖ Management scheme (zoning, re-plantation, etc...) for harvesting of mangrove trees developed	\$2,500
	❖ Alternative fuel sources for cooking identified and/or introduced	\$100,000
	❖ Aquaculture promoted, developed and utilized	\$50,000
	❖ Management Plans for marine species, i.e. Trochus, Sea Cucumbers, etc. developed	\$10,000
	❖ Sustainable natural resource use improved and enforcement and awareness programs (social events) strengthened	\$50,000
	❖ Penalty for species size and land-based violations, i.e. Poaching, etc. increased	\$1,000
	❖ Unsustainable fishing gears, i.e. Gillnet, etc., regulated and enforced	\$1,500
	❖ Enforcement and Awareness program strengthened for destructive fishing methods as with the use of Chemicals/Bleach, Derris Roots and Leafs, Electric-charge equipment, etc.	\$7,000
	❖ Royalty fee for removal and export of coral and fish imposed and enforced	\$3,000
	❖ Marine monitoring and surveillance programs strengthened	\$100,000
	❖ Collection of published reports, books, etc. is stored at KIRMA through a Clearing house Mechanism.	\$6,000

Table 1-V: Environment Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Effective waste management is achieved</i>	❖ Kosrae Solid Waste Management Plan adopted, funded and implemented	\$240,000
	❖ Collection service for all municipalities established and maintained	\$200,000
	❖ Illegal dumpsites are closed and rehabilitated	\$100,000
	❖ Importation of single-use, non-biodegradable plastic bags and Styrofoam banned	\$2,000
	❖ Recycling Program legislation amended to include other recycling items, cardboard, etc.	\$1,000
	❖ Recycling Program to include other recyclable items, i.e. Cardboards, etc. expanded	\$2,000
	❖ Solid Waste collection service and management of Tofol landfill privatized	\$200,000
	❖ Waste Water Management Plan developed	\$5,000
	❖ Watershed protected areas are established	TBD
	❖ Enforcement of environmental laws i.e. Pollution and Littering Regulations, etc., strengthened	\$4,000
	❖ Scrap/bulky waste is regulated	\$1,000
	❖ Littering law is amended to include private-land, illegal dumpsites and enforced	\$2,000
	❖ Regulations on discharge and disposal of chemicals on air, land, marine and water sources are reviewed and enforced	\$2,000
	❖ Pigpen regulation is developed and fully enforced	\$3,000
	❖ Policy to establish buffer zones for development near rivers, coasts, and water sources enforced	\$2,000
	❖ Capacity developed and monitoring programs for water quality established for freshwater and marine areas	\$15,000
❖ Comprehensive awareness programs of the 4 R's - Refuse, Reduce, Reuse and Recycle developed, undertaken and maintained	\$5,000	

Table 1-W: Environment Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Introduction and spread of invasive species prevented and minimized</i>	❖ Consolidate invasive management programs of the State under KIRMA	\$10,000
	❖ Kosrae Invasive Species Taskforce (KIST) is organized and reactivated	\$2,000
	❖ KIST Strategic Action Plan including marine invasive species adopted	\$1,000
	❖ Control programs and protocols established for State to monitor and board incoming crafts/vessels of all sizes/types	\$6,000
	❖ Geographic Information Systems capacity enhanced	\$20,000
	❖ Certification training for invasive species control developed	\$10,000
	❖ Community involvement of invasive species and pests control established	\$10,000
	❖ Enactment and enforcement of policies to address invasive species and pests are established and strengthened	\$2,000
	❖ Policies in support of the Nagoya Protocol are implemented	\$2,000
	❖ Endorsement of Micronesia Biosecurity Plan supported	\$2,000
	❖ Vehicle/equipment hygiene procedure and policy established and implemented	\$30,000
	❖ Awareness programs are strengthened	\$10,000

Table 1-X: Environment Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Important ecosystems and biodiversity are protected, conserved and sustainably managed</i>	❖ Management of existing conservation areas enhanced and new areas established	\$100,000
	❖ Environmental Impact Assessment Guidelines finalized and implemented	\$3,000
	❖ Land Use Plan is updated, reviewed and implemented	\$1,000
	❖ Loss and erosion of land from deforestation, quarrying, etc. is minimized and/or prevented	\$25,000
	❖ Enforcement and awareness programs on terrestrial and marine biodiversity and ecosystems strengthened	\$20,000
	❖ Sedimentation from development projects and farming are mitigated/minimized	\$10,000
	❖ Reforestation programs established at the community level	\$50,000

❖ Monitoring of development projects strengthened	\$10,000
❖ Sustainable farming practices promoted and implemented	\$15,000
❖ Research and monitoring of biodiversity and ecosystems strengthened	\$50,000
❖ Conservation fund legislation created and implemented	\$1,000

Table 1-Y: Environment Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Communities are resilient to impacts of climate change and disaster.</i>	❖ Disaster risk management and climate change adaptation incorporated into development plans and programs, example: EIA Process, etc.	\$5,000
	❖ Engineering design of infrastructure and housing incorporated disaster and climate risk considerations and adaptation	\$5,000
	❖ Awareness and educational programs of disaster risk management and climate change adaptation strengthened	\$10,000
	❖ Success of the PACC Project replicated in other sites in Kosrae and other FSM states	\$3,000,000

Table 1-Z: Environment Result 7 Activities and Costs

<i>Result 7</i>	<i>Activities</i>	<i>Cost</i>
<i>Community participation, commitment and support toward conservation programs are enhanced</i>	❖ Conservation programs for sustainable use of resources (to address <u>over-exploitation</u> of resources for social functions) at the community level developed and implemented	\$22,000
	❖ Appropriate programs to support sustainable income generating activities at the community level are explored and implemented	\$25,000
	❖ Enforcement training program is established to support conservation enforcement at the State and community levels	\$18,000
	❖ Full participation of community in coordination and implementation of conservation programs improved	\$13,000
	❖ Community social and cultural activities supported best management and conservation practices	\$20,000

Table 1-AA: Environment Result 8 Activities and Costs

<i>Result 8</i>	<i>Activities</i>	<i>Cost</i>
<i>Sustainable financing mechanism is established to support environmental conservation and management efforts</i>	❖ Awareness and outreach programs are conducted at the state and municipal levels	\$5,000
	❖ Regulation for two funds, namely: Environmental Management and Restoration Fund, and the Protected Areas Fund is developed, approved and enforced	\$1,000
	❖ Management and guidelines are developed and utilized for determination of interest and disbursement of monies for environmental conservation and management efforts	\$2,500

Section 2: Private Sector

It has been acknowledged that in sustainable development in Kosrae requires substantial development and contribution from the private sector. As discussed in the section on Kosrae's economic performance, Kosrae has seen improvement from its private sector, particularly in the construction industry. However, despite the highlighted improvements, further improvements must be achieved in order for Kosrae to attain sustainable development.

Effort to improve and promote the Kosrae private sector is focused to the four (4) components of the Kosrae SDP Private Sector: 1) Tourism, 2) Fisheries, 3) Agriculture, and 4) Energy.

Private Sector – Tourism

As a tropical island, Kosrae is a land of natural beauty and hospitable people which, more often than not, would seem to be characteristics for an attractive and successful tourist destination. Albeit its natural beauty and friendly hospitable people and potential for development, Kosrae has faced constraints and challenges impeding capitalization of its potential in tourism development.

<u>Overall Goal</u> "Thriving tourism industry achieved and sustained."	<u>OVI</u> "At least 10% tourism contribution to the Kosrae GDP by 2016"
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The Tourism plan is keen on attempting to address the constraints impeding development of a successful tourism industry. As highlighted in the goal statement above, the goal for Kosrae's tourism industry is to achieve a thriving tourism industry in the long run. Table 2-A indicates nine (9) results to be carried out in order to achieve a thriving tourism industry in Kosrae.

The 9 results are keen on implementing improvements to the tourism industry, in terms of tourism infrastructures/sites, improving tourism services and capacity of service providers, marketing and product and product development, and improving the coordination and management of tourism activities. It was acknowledged almost with unanimity amongst the tourism sector stakeholders and the municipalities the sentiment to promote ecotourism.

The tourism plan is also keen on supporting measures to promote and improve enforcement and preservation of the beauty and cleanliness of Kosrae's environment. Furthermore, it is acknowledged that further development in the tourism industry require considerable improvement in infrastructure and transportation; particularly to air transportation services to and from Kosrae.

Next Section (Fisheries) starts on pg. 42.

Table 2-A: Tourism Results and Strategic Targets

<i>Results</i>	<i>OVI</i>
1. <i>Capacity of service providers improved</i>	❖ At least 30% increase in certified employees in the tourism sector by 2017.
2. <i>Safety and security of tourists ensured.</i>	❖ 40% decrease in number of complaints by tourists/visitors by 2017.
3. <i>Healthy, attractive and tourist-friendly environment enhanced, maintained and enforced.</i>	❖ At least 20% decrease in violations of littering law by 2017.
4. <i>Co-ordination, effective management and government customer services are improved and maintained.</i>	❖ By 2016, 1 KVB operation policy manual is developed, adopted and utilized.
5. <i>Knowledge of Kosrae in outside markets increased and opportunities realized.</i>	❖ By 2017, at least 1 travel or advertising outlet in each tourism market utilized.
6. <i>Understanding of tourism industry enhanced within the community and leadership.</i>	❖ By 2017, at least 500 information materials disseminated in Kosrae
7. <i>Infrastructure upgraded and maintained.</i>	❖ By 2017, at least 5 tourism infrastructure improvement projects completed.
8. <i>Number of tourists increased and tourism contribution to local economy increased and sustained.</i>	❖ By 2017 at least 40% of the number of tourist's arrival in Kosrae increased.
9. <i>Tourism sector adequately resourced.</i>	❖ By 2017 a 20% increase in funding support mobilized

Table 2-B: Tourism Result 1 Activities and Costs

<i>Result1</i>	<i>Activities</i>	<i>Cost</i>
<i>Capacity of service providers improved</i>	❖ Certification programs for tour guides established	\$5,000
	❖ Training to up-skill current employees of service providers provided	\$5,000
	❖ Opportunities for multi-lingual training provided	\$10,000
	❖ Training on local skills (handicraft & carving) provided	\$3,000

Table 2-C: Tourism Result 2 Activities and Costs

<i>Result2</i>	<i>Activities</i>	<i>Cost</i>
<i>Safety and security of tourists ensured</i>	❖ Laws on stray dogs enforced	\$ -
	❖ Accessibility to tourist sites increased and improved	\$20,000
	❖ Boat basin established (pleasure boats)	\$20,000
	❖ Security services improved	\$20,000

❖ Pedestrian walkways built in urban areas	\$100,000
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Table 2-D: Tourism Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Support enforcement and maintenance of an enhanced, healthy, attractive and tourist-friendly environment.</i>	❖ Littering law enforced	\$5,000
	❖ Littering law amended to enable enforcement of littering on privately owned lands.	\$3,000
	❖ Water ways and marine areas cleaned and sustained	\$20,000
	❖ Trash piles and illegal dumping sites removed and regulated	\$5,000
	❖ Dilapidated structures, cars and containers by roadside/public areas removed and regulated	\$1,000
	❖ Management of invasive species expanded and improved	\$8,000
	❖ Export of marine and terrestrial species regulated, enforced and monitored	\$10,000
	❖ Sustainable resources use improved	\$5,000

Table 2-E: Tourism Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Coordination, effective management and government customer services are improved and maintained</i>	❖ Annual tourism stakeholders' conference scheduled and sustained	\$3,000
	❖ Tourism activities are coordinated collaboratively	\$1,000
	❖ Government conference calendar established and coordinated	\$ 500
	❖ Collaboration between KVB and partners strengthened and maintained	\$3,000
	❖ KVB Policy Manual developed, adopted and utilized	\$3,000
	❖ Improved public service providers for better customer service	\$1,000

Table 2-F: Tourism Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Knowledge of Kosrae in outside markets increased and opportunities realized</i>	❖ Promotion of Kosrae improved/expanded	\$50,000
	❖ (Tradeshows, advertisements, Internet, media, Fam tours, collateral distribution, etc.)	\$250,000
	❖ Cost-effective marketing effort coordinated (target focused)	\$5,000
	❖ Tourism experts/specialists from development partners contracted	\$10,000
	❖ Attractive tourist packages developed by private sectors	\$5,000

❖ Lobby FSM/State governments to increase per diem rate	-
❖ Marketing and product development enhanced	\$20,000
❖ Budget accommodation available , establish government/ locals rate, continue to dialogue with local hotels	\$ -
❖ Tourist fees clarified, published and adhered	\$3,000
❖ Artisans showcasing established	\$5,000
❖ More local restaurants established	\$50,000
❖ Local dishes in hotels and restaurants increased	\$ -
❖ Tourist access to local products established	\$3,000
❖ Central markets in communities established	TBD
❖ Support establishment of National Tourist Authority	\$ -

Table 2-G: Tourism Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Understanding of tourism industry enhanced</i>	❖ Visitors participation in community activities increased and maximized	\$1,000
	❖ Community understanding of tourism enhanced	\$1,000
	❖ Community involvement and entrepreneurship encouraged and improved.	\$1,000
	❖ Information-sharing improved	\$5,000
	❖ Tourist awareness of cultural norms enhanced	\$3,000
	❖ Leadership awareness and support increased	
	❖ Laws restricting tourist activities revisited	\$3,000

Table 2-H: Tourism Result 7 Activities and Costs

<i>Result 7</i>	<i>Activities</i>	<i>Cost</i>
<i>Number of tourists increased & tourism contribution to local economy increased and sustained</i>	❖ Profitable hotel/tourism operations are sustained	\$2,000
	❖ Tourist arrivals increased	\$2,000
	❖ Cruise ships visits to Kosrae increased	\$5,000
	❖ Reduce cost of air transportation	\$ -
	❖ Support National effort to address airline bottleneck situation	\$ -

❖ Support National effort to improve flight schedule	\$ -
❖ Support National effort to resolve airline monopoly situation	\$ -

Table 2-I: Tourism Result 8 Activities and Costs

<i>Result 8</i>	<i>Activities</i>	<i>Cost</i>
<i>Tourist infrastructure upgraded and maintained</i>	❖ Improve access to tour sites	\$50,000
	❖ Kosrae terminal upgraded and maintained	\$1,000,000
	❖ Accommodations, hotels, restaurants are increased or diversified	TBD
	❖ Public restrooms at tour sites are built and maintained	\$50,000
	❖ Signage upgraded	\$10,000
	❖ Support improvement of the public water system	\$ -
	❖ Tour sites consistently maintained	\$25,000

Table 2-J: Tourism Result 9 Activities and Costs

<i>Result 9</i>	<i>Activities</i>	<i>Cost</i>
<i>Tourism sector adequately resourced</i>	❖ Support for tourism industry improved	
	❖ Increase financial support from state government and donor partners to support KVB operations	\$ -
	❖ Establish financial mechanisms to maintain tour sites	\$50,000

Kosrae Strategic Development Plan

Private Sector – Fisheries

As an island located in the vast Pacific Ocean with abundance of natural resources, Kosrae has potential for fisheries development. As emphasis is placed in achieving sustainable economic development, and with the potential in Kosrae’s fisheries resources as one of Kosrae’s more sustainable and reliable natural assets, fisheries continues to be envisaged as a vital factor to Kosrae’s economic advancement. Fisheries plan is keen on utilizing and exploiting, in sustainable manner, Kosrae’s fisheries and marine resources to generate income to the Kosraean people and thus drive economic development. As indicated in the OVI statement below, with utilization of coastal and offshore fisheries resources, Kosrae envisage at least 5% of annual increase in revenues and employment generated through fisheries activities.

The Fisheries plan is keen on promoting development in both coastal and offshore fisheries, while also facilitating and promoting development of the capacity of the fisheries sector to efficiently implement improvements to fisheries activities, as well as promoting sustainable management of fisheries resources.

Kosrae currently has one of the more successful aquaculture marketing operations in the region through foreign direct investment in Kosrae. Although deemed successful, further activities in the coastal fisheries is sought to further maximize benefits from Kosrae’s coastal resources.

There is also ambition to further utilize Kosrae’s offshore fisheries resources to further maximize potential benefits from these resources. Although Kosrae waters is believed to contain an abundance of resources – i.e., tuna – minimal fishing activities were undertaken to exploit and utilize these resources. As indicated in the Fisheries plan, there is strong ambition to establish venture with donor partners particularly to serve the purpose of utilizing Kosrae’s offshore resources.

<u>Overall Goal</u> “To enhance and maintain coastal and off-shore fisheries activities in Kosrae to meet local demand and export.”	<u>OVI</u> “At least 5% annual increase in revenues and employment in the fishing industries”
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Next section (Agriculture) starts on pg.45.

Table 2-K: Fisheries Results and Strategic Targets

<i>Results</i>	<i>OVI</i>
1. <i>Facilitate and promote sustainable utilization and management of Kosrae’s coastal fisheries resources.</i>	<ul style="list-style-type: none">❖ At least three (3) coastal fisheries projects or operations are conducted annually.❖ At least 5% annual increase in coastal fisheries benefits.
2. <i>Facilitate and promote sustainable utilization of Kosrae’s off-shore fisheries resources.</i>	<ul style="list-style-type: none">❖ At least one (1) commercial venture in off-shore fisheries established and commenced operation by 2015.

3. <i>Capacity for effective and sustainable development and management of Kosrae fisheries is strengthened.</i>	❖ By 2018, 50 % of fisheries employees successfully gone through essential training.
4. <i>Collaboration among stakeholders established, and enforcement provided and maintained.</i>	❖ At least one (1) consultation meeting conducted among three levels of governments annually.
5. <i>Fisheries infrastructure upgraded and maintained.</i>	❖ Annual maintenance and upgrade of fisheries infrastructure.
6. <i>Strengthened compliance monitoring and necessary fisheries policies and laws are established and enforced.</i>	❖ 100% of fisheries development projects are fully monitored with compliance reports meeting submission requirements annually.

Table 2-L: Fisheries Result 1 Activities and Costs

<i>Result 1</i>	<i>Activities</i>	<i>Costs</i>
<i>Facilitate and promote sustainable utilization and management of Kosrae's coastal fisheries resources.</i>	❖ Strengthen public awareness on fisheries and marine resources development and management.	\$1,000
	❖ Develop scheme, framework or policy direction to explore commercialization of Kosrae's tuna resources for external markets.	\$10,000
	❖ Establish collaboration among community groups, NGOs and other community stakeholders to implement sustainable community-based fishery projects.	\$150,000
	❖ Opportunities to utilize fresh water resources are facilitated and provided.	\$100,000

Table 2-M: Fisheries Result 2 Activities and Costs

<i>Result 2</i>	<i>Activities</i>	<i>Costs</i>
<i>Facilitate and promote sustainable utilization of Kosrae's off-shore fisheries resources.</i>	❖ Secure one venture to capitalize on Kosrae's offshore fisheries resources	\$10,000
	❖ Establish one scheme of purchasing and reselling fishing-days.	TBD

Table 2-N: Fisheries Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Costs</i>
<i>Capacity for effective and sustainable development management of Kosrae fisheries is strengthened and developed.</i>	❖ Negotiate and collaborate with educational institutions on tailoring students' courses to support private sector and state development needs.	\$4,000
	❖ Opportunities for students to pursue specialized fields made available and utilized through active recruitment of students	\$200,000
	❖ Identify and utilize training opportunities for technical skills in areas relevant to fisheries resources development, management, and etc...	\$8,000
	❖ Policy direction for marine invasive species is developed, implemented and enforced.	\$5,000

❖ Training opportunities in sustainable fisheries and marine resources provided.	\$10,000
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Table 2-O: Fisheries Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Costs</i>
<i>Collaboration among stakeholders established and enforcement provided and maintained</i>	❖ Support co-operation between government and private sector enhanced and maintained	\$1,000
	❖ Communication and collaboration among all three levels of government improved and maintained.	\$2,000
	❖ Effective surveillance program designed for capacity and enforcement put in place and closely monitored.	\$650,000
	❖ Current legislation relating to fisheries improved and enforced.	\$3,000

Table 2-P: Fisheries Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Costs</i>
<i>Fisheries infrastructure improved and maintained.</i>	❖ Support efforts to resolve issue of air transportation monopoly.	----
	❖ Inshore facilities properly inspected and rehabilitated.	\$700,000
	❖ FAD System in Kosrae expanded to include additional anchor sites, with continued maintenance provided.	\$100,000
	❖ Materials, supplies and manpower capacity to effectively run mangrove crab project is secured	\$560,000
	❖ Community-based aquaculture projects are implemented and maintained	\$250,000

Table 2-Q: Fisheries Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Costs</i>
<i>Policies and laws put in place and monitored.</i>	❖ Required regulations for project feasibility study enacted and enforced	\$3,000
	❖ Awareness program on the importance of project feasibility study implemented	\$2,500
	❖ Enforcement and monitoring of fisheries projects strengthened.	\$250,000

Private Sector – Agriculture

Agriculture is among the economic productive sectors that has been viewed to have the potential for development, thus generate income to Kosraeans and, in effect, the Kosrae economy as well. Considerable emphasis has been placed on the agriculture sector to encourage increased production of agriculture commodities for commercial trade.

<u>Overall Goal</u>	<u>Objectively Verifiable Indicator</u>
“Improved agriculture production to support business and food security increased by healthy and committed people.”	“By 2023, agriculture commodity trade represents at least 50% of total Kosrae export.”

Indicated above are the goal statement and an objectively verifiable indicator for the agriculture sector. The goal for the agriculture sector is to increase production of agriculture commodities to support food security for the Kosrae populace for the near and long term as well supporting Kosrae’s economic advancement and the economic wellbeing of Kosraeans through marketing of agriculture commodities.

In summary, the agriculture plan is intended on ensuring increased production of agriculture commodities by increasing both crop and livestock production by 50% and 40% respectively by 2020. The agriculture plan further includes planning for improved marketing of Kosrae agriculture commodities as well as improved management and governance of agriculture activities.

Next section (Energy) starts on page 48.

Table 2-R: Agriculture Results and Strategic Targets

<i>Results</i>	<i>OVI</i>
1. <i>Sustainable crop production increased.</i>	<ul style="list-style-type: none"> ❖ 50% increase in crop area and crop production by 2020. ❖ At least 50% of the farmers adopt the recommended sustainable crop husbandry practices by 2020.
2. <i>Sustainable livestock production increased.</i>	<ul style="list-style-type: none"> ❖ At least a 40% increase in livestock numbers and production by 2020.
3. <i>Marketing opportunities improved</i>	<ul style="list-style-type: none"> ❖ At least a 50% increase in fresh farm produces commodities exported by 2020. ❖ At least three (3) value-added agriculture commodities exported by 2020.
4. <i>Improved awareness program for agriculture industry and encourage new farmers into sector.</i>	<ul style="list-style-type: none"> ❖ By 2016 a 50% increase in the number of active farmers in Kosrae.
5. <i>Agricultural research and</i>	<ul style="list-style-type: none"> ❖ By 2016 at least 20 climate tolerant crop varieties confirmed

<i>studies strengthened.</i>	❖ 30% increase in number of post-secondary students enrolled in agriculture trade school(s) by 2020.
6. <i>Agriculture Office fully resourced.</i>	❖ Mobilize financial resources from government, donors and development partners to implement the Agriculture SAP.
7. <i>DREA activities properly monitored and evaluated.</i>	❖ Periodic monitoring, evaluation and reporting conducted.

Table 2-S: Agriculture Result 1 Activities and Costs

<i>Result 1</i>	<i>Activities</i>	<i>Cost</i>
<i>Sustainable crop production increased</i>	❖ Increase land area engaged in crop production both for subsistence and commercial farming	\$50,000
	❖ Multiply planting materials for the selected priority crops for both the domestic and export market	\$40,000
	❖ Acquire more climate-tolerant crop varieties from SPC and Land Grant to increase the diversity of locally grown crops for the island	\$3,000
	❖ Conduct training on appropriate adaptation measures to address salt water intrusion, coastal shores erosion and invasive species.	\$35,000
	❖ Conduct training on the control of insect pests and diseases of crops	\$8,000
	❖ Conduct farmers' training on soil improvement methods	\$3,000
	❖ Conduct food preparation, processing and preservation methods to communities.	\$6,500
	❖ Conduct farmers' training on recommended crop rotation methods.	\$5,000
	❖ Conduct on-farm demonstrations on recommended farming technologies capitalizing on traditional farming techniques.	\$175,000
	❖ Develop nutritious and healthy (reduced salt/increased herbs) recipes for households use in preparing their daily balanced meals.	\$1,000
	❖ Decrease importation of poor nutritious food items.	\$3,000

Table 2-T: Agriculture Result 2 Activities and Costs

<i>Result 2</i>	<i>Activities</i>	<i>Cost</i>
<i>Sustainable pig production increased</i>	❖ Acquire new breed stock for artificial insemination to improve local breed of pigs	\$10,000
	❖ Conduct training sessions on improved pig waste management	\$15,000
	❖ Conduct survey on local pig breeds	\$2,000
	❖ Conduct extension agents' training sessions on producing local pig	\$1,300

feeds	
❖ Conduct PARAVET training sessions for extension agents	\$15,000

Table 2-U: Agriculture Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Improved and viable marketing opportunities</i>	❖ Conduct farmers training sessions in farm management.	\$5,000
	❖ Conduct survey to identify good market opportunities.	\$15,000
	❖ Conduct farmers' training on post-harvest handling.	\$15,000
	❖ Conduct awareness training sessions on the importance of having good quality and consistent supply for the markets.	\$5,000
	❖ Facilities (e.g. storage) and transportation provided to facilitate export of fresh farm produce.	\$150,000
	❖ Market infrastructure improved.	\$200,000

Table 2-V: Agriculture Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Improved awareness program in agriculture</i>	❖ Farming awareness programs to be targeted to school children and unemployed youths to increase their involvement in agricultural production.	\$1,000
	❖ Conduct an awareness program on the nutrition values of all locally grown crops.	\$2,000
	❖ Develop an awareness program to address food consumption behavior for local radio broadcasts.	\$2,500

Table 2-W: Agriculture Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Agriculture research and education strengthened</i>	❖ Agriculture be integrated into the school curriculum and introduced at the Elementary Schools as a science or environmental subject in the absence of agriculture curriculum.	\$3,000
	❖ Support proposed VET and Agricultural VOC training center.	\$5,000

Table 2-X: Agriculture Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Agriculture Office fully resourced</i>	❖ Mobilize financial resources from Government, donors, development partners to implement the SAP	\$20,000
	❖ To Improve coordination in between Ag., LG, KIRMA	---

Table 2-Y: Agriculture Result 7 Activities and Costs

<i>Result 7</i>	<i>Activities</i>	<i>Cost</i>
<i>DREA activities properly monitored and evaluated</i>	❖ Provide quarterly, six-monthly and annual updates of activities and financial progress reports	\$10,000
	❖ Conduct monitoring and evaluation of on-farm demonstrations with farmers and other agricultural sector projects.	\$5,000
	❖ Provide and distribute success stories of impacts on family livelihood, lessons learned and recommendations.	\$10,000

Private Sector – Energy

Energy is generally a driving factor and a vital component to Kosrae’s private sector development. The Kosrae SDP Energy sector is keen on promoting increased use of renewable energy in Kosrae and subsequently reducing reliance on conventional energy; e.g., fossil fuel and etcetera. The Energy plan is focused on promoting and increasing use of sustainable energy sources while also improving efficiency in both demand and supply sides.

As indicated in the OVI statement shown below, Kosrae’s energy sector is keen on seeking an increase to 30% of energy used in Kosrae by 2020 to be generated through renewable sources. The process to develop the energy plan identified a number of renewable energy sources that has potential to be utilized in Kosrae and to be pursued in the future. Furthermore, there is current effort that pursues establishment of a wave power conversion plant which would provide renewable energy to Kosrae consumers. Although a wave power conversion plant is in the pipeline to be established in the near future, it is acknowledged that further sources of renewable energy should be pursued for possible utilization in Kosrae.

<p><u>Overall Goal</u></p> <p>“To become less dependent on imported sources of energy by having an increased share of renewable energy sources and having cross-sectoral energy conservation and efficiency standards in place.”</p>	<p><u>Objectively Verifiable Indicator</u></p> <p>“By 2020, the share of renewable energy sources in Kosrae will be at least 30% of total energy production, while energy efficiency will increase by 50%.”</p>
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Table 2-Z: Energy Results and Strategic Targets

<i>Results</i>	<i>OVI</i>
1. <i>Improved efficiency of the use of conventional energy in Kosrae achieved</i>	❖ Plant efficiency increased to 16kWh/Gal by 2014 ❖ Existing Generator Set & 100% Operational by 2017
2. <i>Improved efficiency both in SSM and DSM</i>	❖ Less outstanding billings and reduction of energy usage ❖ Fuel savings and more efficient power plant
3. <i>Increased utilization of renewable sources of energy suppressing energy costs and increasing energy efficiency.</i>	❖ Increase in usage of Solar PV system ❖ At least 75% of Kosrae Power to be supplied from Sea Wave Power Plant by 2017
4. <i>Usage and reliance on fossil fuels in the Kosrae transportation sector reduced.</i>	❖
5. <i>Capacity in energy sector enhanced</i>	❖ Improve and sustain the existing operating system on Energy and Efficiency
6. <i>Improved relations between consumers and providers within</i>	❖ At least 5 education and awareness sessions held in Kosrae annually.

the energy sector

- ❖ At least 50 posters or information materials regarding energy issues (e.g., FAC) disseminated in Kosrae annually.

Table 2-AA: Energy Result 1 Activities and Costs

Result 1	Activities	Cost
<i>Improved efficiency of the use of conventional energy in Kosrae achieved</i>	❖ Replace one inoperative Back Up unit with the new Generator of higher efficiency. Work with supplier for the most suitable unit for Kosrae.	\$300,000
	❖ Secure Funding for the project	---
	❖ Complete monitoring of operation, preventive maintenance and collection of data and recording	\$100,000
	❖ Prepare the existing diesel grid for a maximum penetration of renewable energy sources.	\$2,175,000
	❖ Conduct grid stability and study on smart substations with short term storage that will lead to optimizing and synchronizing the diesel generator with renewable energy sources.	\$75,000
	❖ Secure funding for the project and implement finding, inclusive of installation of sub-stations and short-term storage stability.	\$2,000,000
	❖ Complete monitoring of operation, Preventive Maintenance and collection of data and recording	\$100,000
	❖ Support effort with provider in procuring Kosrae fuel supply from low cost sources.	--

Table 2-BB: Energy Result 2 Activities and Costs

Result 2	Activities	Cost
<i>Improved efficiency both in SSM and DSM</i>	❖ Ensure DSM energy efficiency through the implementation of a comprehensive Energy efficiency program for Kosrae.	\$10,000
	❖ Utilization of Pre Paid KWH meters for 90% of all KUA customers.	\$50,000
	❖ Devise information programs on the use of quality insulation materials for both commercial and residential construction.	\$3,000
	❖ Installation of KW Demand meter to large consumers of power.	\$50,000
	❖ Utilization of compact Fluorescent lamps or LEDs for residential and commercial establishments.	\$150,000

❖ LED street lighting pilot project - Replace existing streetlights by LED-type. Install additional PV solar streetlights: grid type and stand-alone.	\$100,000
❖ Utilization of LPG for food preparation and cooking for domestic and Business establishments.	TBD
❖ Formulate Building Codes on Energy Efficiency and Appliances.	\$3,000
❖ Provide incentives to residential and business establishments operating with appliances of high EER.	TBD
❖ Ensure SSM energy efficiency through implementation of energy saving projects for Kosrae's energy provider (KUA).	\$200,000
❖ Feasibility study for using waste heat recovery system to provide chilled water-cooling for government offices.	\$10,000
❖ Implement efficiency recommendations with reference to KEMA report.	\$200,000
❖ Implement infra-red camera and training	TBD
❖ SCADA for generators and process improvement	TBD
❖ Distribution Transformer Metering - developing processes using check meters at distribution transformers and purchase of software.	TBD

Table 2-CC: Energy Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Increased utilization of renewable sources of energy suppressing energy costs and increasing energy efficiency.</i>	❖ Reduction of fuel usage in production of power thru increased usage of Solar PV system and ultimately doubling the capacity of the grid connected PV system.	\$1,200
	❖ Expanding the use of solar energy by doubling the capacity of the grid connected PV system from 56 kWp to 400kWp in two phases. Phase 1: 200 kWp ground mounted on KUA's area and on other by Govt. allocated areas. Phase 2: 100 kWp roof mounted on government facilities and 100kWp on KUA's facilities.	\$600,000
	❖ Pre-electrification of Walung Village using lighting kits and off-grid solar systems for school and dispensary.	\$600,000
	❖ Conduct Energy Awareness Programs to general public and government so that they will use the electricity wisely and conserve battery in the stand alone PV systems.	\$2,000

❖ Capacity Building in Solar Power production, maintenance and operations.	\$10,000
❖ Monitor, collect and record data on the existing Solar PV Grid connected system.	\$10,000
❖ Utilize ocean energy through establishment of an operational Sea Wave Power Plant with a capacity of 1.5 MW.	Costing TBD
❖ Conduct feasibility study with the foreign partner in the project.	\$10,000
❖ Establish a funding and repayment agreement with the foreign entity for the project. (PPA)	--
❖ Securing the necessary State requirements. (KIRMA, Legal, Municipalities, etc.)	\$500
❖ Secure funding and start phase 1 Trial Run, Commissioning and Start Up of Organization.	TBD
❖ Phase 2: Construction of the 1.5 MW Power Plant Facilities. Retrofit current Distribution System in order to work with new facility.	TBD
❖ Develop the possibility of building a Hydro Power Plant of 250 kW capacity and look into the feasibility of Tidal Energy.	\$10,000
❖ Conduct feasibility study on building a hydro plant and Tidal energy.	\$10,000
❖ Secure funding and technical assistance to implement recommendations.	\$15,000
❖ Secure necessary State and environmental clearances.	\$500
❖ Construction of physical facility, start-up and commissioning.	TBD
❖ Develop the possibility of building a wind park Power Plant of 200 - 500 kW capacity.	TBD
❖ Conduct various wind studies	TBD
❖ Secure funding and technical assistance from donors to implement the recommendations.	TBD
❖ Secure necessary State and environmental clearances.	\$2000
❖ Construction of physical facility, start-up and commissioning.	TBD
❖ Develop the possibility of building a Waste to Energy plant.	TBD

❖ Conduct requisite studies to determine what technology would suit Kosrae best - economically and technically.	TBD
❖ Secure necessary State and environmental clearances.	\$500
❖ Construction of physical facility, start-up and commissioning.	TBD
❖ Enhanced assistance toward private sector pertaining to installation and utilization of renewable energy.	\$15,000

Table 2-DD: Energy Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Usage and reliance on fossil fuels in the Kosrae transportation sector reduced.</i>	❖ Develop and implement a comprehensive Fuel Sourcing, Distribution and Utilization Program.	TBD
	❖ Implement legislative polices on the operation, maintenance, safety and financial aspects of Public Transportation (Public Bus, Taxicab and carpools, School bus, etc.)	\$3,000
	❖ Maintenance and upkeep of major roads.	\$200,000
	❖ Develop and implement policy on Public Transportation.	\$3,000
	❖ Designation of Agencies to manage public transportation	--
	❖ Introduce electric vehicles.	TBD
	❖ Parking management of Public Transportation vehicles.	TBD

Table 2-EE: Energy Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Capacity in the Kosrae energy sector enhanced.</i>	❖ Training Program for Solar PV system, operation and maintenance.	Costing TBD
	❖ Training on Conventional Energy Systems and Efficiency including energy audits.	Costing TBD
	❖ Training on Building Codes, Construction Methods, and HVAC	Costing TBD
	❖ Training on monitoring and developing Renewable Energy sources.	Costing TBD
	❖ Training on Alternative source of energy for domestic and commercial establishment (LPG, etc.) provided	Costing TBD

Table 2-FF: Energy Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Improved relations between</i>	❖ Enhance collaboration with private sector in provision of	10,000

consumers and providers
within the energy sector.

technical assistance	
❖ Provide enhanced education and awareness programs to consumers on methods of efficient usage of power or energy.	\$5,000
❖ Improve understanding amongst consumer on energy cost, inclusive of FAC, etc...	\$5,000
❖ Support measures to establish standardized weights and measures.	---

Private Sector – Business & Trade

A strong private sector is key to a developing economy. Business and Trade sector aims on establishing a private sector that is sustainably thriving.

Business and Trade is keen on establishing an environment friendly to business development through establishment of an environment conducive to business investment, strengthening private sector-government partnership. Table 2-GG highlights twelve (12) sector results and OVIs requisite to achieving a thriving private sector.

<p><u>Overall Goal</u></p> <p>“A thriving private sector realized and sustained.”</p>	<p><u>Overall Goal</u></p> <p>“50% increase in private sector contribution to the Kosrae annual GDP by 2023”</p>
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Table 2-GG: Business & Trade Result and Strategic Targets

<i>Results</i>	<i>OVI</i>
1. <i>Conducive environment to business investment realized.</i>	❖ Improved ranking on the World Bank Ease of Doing Business Report.
2. <i>Public infrastructure developed and improved</i>	❖ Maintain at least 30% allocation on public infrastructure and 5% on infrastructure maintenance.
3. <i>Improved government and private sector partnership</i>	❖ By 2014, increased technical, financial and institutional support to private sector.
4. <i>Financing and loan requirements simplified and improved.</i>	❖ At least 20% increase in commercial loans to businesses by 2018.
5. <i>Entrepreneurial capacity of the private sector developed and improved.</i>	❖ 100% of business owners trained by 2023.
6. <i>Business development services improved and enhanced.</i>	❖ At least 40% increase in new businesses and operation efficiency by 2017.
7. <i>Community based productive sector developed and sustained.</i>	❖ At least one (1) cottage industry developed by 2018.
8. <i>Natural resources are sustainably managed and maintained.</i>	❖ At least 5% royalty fee assessed on use of natural resources.
9. <i>Surtax established and sustained.</i>	❖ At least one (1) legislation adopted establishing a State Surtax by 2015.
10. <i>Tax system and fees simplified and improved</i>	❖ At least one (1) legislation regulation adopted amending current tax system by 2015.
11. <i>Privatize select government services and functions that could be well-managed by private sector.</i>	❖ At least (1) government service or function privatized each year.
12. <i>Increased volume of trade via shipping services.</i>	❖ By 2023, export as percentage of GDP increased reaches 10%.

Table 2-HH: Business & Trade Result 1 Activities and Costs

<i>Result 1</i>	<i>Activities</i>	<i>Cost</i>
<i>Increased volume of trade via shipping services.</i>	❖ Support and lobby for sustained consistent schedule of east and west-bound shipping routes and services.	\$7,000
	❖ Maintain a business-friendly trade environment and framework.	\$5,000
	❖ Secure regional and overseas trade partners.	\$25,000
	❖ Support and collaborate with productive sectors on ensuring strengthened production for increased trade.	\$19,000
	❖ Provide support to private sector in facilitation of periodic export activities ensuring increased trade of Kosrae production via shipping services.	\$15,000

Table 2-II: Business & Trade Result 2 Activities and Costs

<i>Result 2</i>	<i>Activities</i>	<i>Cost</i>
<i>Infrastructure established and improved</i>	❖ Schedule for sea/air transport increased	\$15,000
	❖ Fiber optic installed and accessed	12,000,000
	❖ Interstate transport increased	\$20,000
	❖ Funding sources for community infrastructure projects supporting private sector development increased.	\$1M
	❖ Support measures to addressing high cost of energy	---
	❖ Alternative energy for private sector increased.	\$300M
	❖ Government subsidy for energy established.	\$30M

Table 2-JJ: Business & Trade Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Private sector development plan developed and established</i>	❖ Skills and technical know-how of business development staff improved and enhanced.	\$15,000
	❖ Private sector development co-ordination improved and enhanced	\$150,000
	❖ Business directory established	\$10,000
	❖ Information for start-up business published and coordinated.	\$5,000
	❖ Private sector funding support increased and sustained.	\$3,000

❖ Government support to export businesses increased (what support and how)	\$120,000
❖ Confer with and lobby leadership on improved use of revenues particularly in funding of priority and development-driven areas	\$4,000
❖ Private sector representatives on government boards and agencies increased	\$3,000
❖ Foreign investment statutes updated.	\$20,000
❖ Private sector consultations on related laws and regulations that affect the sector improved and increased.	\$2,000

Table 2-KK: Business & Trade Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Financing requirements simplified and improved</i>	❖ Loan policies amended and simplified.	\$15,000
	❖ High interest rates on loans addressed.	\$30,000
	❖ Kosrae Microfinance & Production Development Fund enhanced.	\$200,000

Table 2-LL: Business & Trade Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Entrepreneurial Capacity of the private sector developed and improved</i>	❖ Training on business skills provided and sustained.	\$10,000
	❖ Training on product development provided and sustained.	\$15,000
	❖ Workshops on post harvesting conducted.	\$15,000
	❖ College business courses offered.	\$50,000
	❖ Training on pricing provided and sustained.	\$15,000
	❖ Training on packaging, food safety, and labeling, branding, and organic certification provided.	\$25,000

Table 2-MM: Business & Trade Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Business development services improved and enhanced</i>	❖ Business development improved and coordinated.	\$40,000
	❖ Business planning assistance improved and enhanced.	\$20,000
	❖ Business practices improved	\$8,000
	❖ Carry out programs targeting improvement in business ethics	TBD

❖ Attitudes toward business and operation improves	\$4,000
❖ Evaluation of successful and unsuccessful projects conducted and analyzed.	\$20,000
❖ Local manufacturing businesses increased.	\$10,000
❖ Other business opportunities such as graphics and design established and improved.	\$10,000
❖ Skills for online business opportunities and participation in the digital economy improved and enhanced	\$8,000

Table 2-NN: Business & Trade Result 7 Activities and Costs

<i>Result 7</i>	<i>Activities</i>	<i>Cost</i>
<i>Community based productive sector developed and sustained</i>	❖ Cottage industries of niche products developed and sustained.	\$200,000
	❖ Public market developed and established	\$120,000
	❖ Establish system to authenticate Kosrae products: system for Organic Certification	TBD

Table 2-OO: Business & Trade Result 8 Activities and Costs

<i>Result 8</i>	<i>Activities</i>	<i>Cost</i>
<i>Natural resources are managed and maintained</i>	❖ Awareness and education on sustainable use of natural resources increased.	\$30,000
	❖ Knowledge on use of natural resources improved and enhanced.	\$40,000
	❖ Business disposal of water regulated and enforced.	\$25,000
	❖ Establish royalty fee on the use of Kosrae's natural resources.	\$5,000

Table 2-PP: Business & Trade Result 9 Activities and Costs

<i>Result 9</i>	<i>Activities</i>	<i>Cost</i>
<i>Surtax established and sustained</i>	❖ A state surtax to levy on the value of materials and supplies items brought into country by be established and sustained	\$5,000
	❖ A state surtax to levy on the value of equipment brought into country by contractors is established and sustained.	\$5,000

Table 2-QQ: Business & Trade Result 10 Activities and Costs

<i>Result 10</i>	<i>Activities</i>	<i>Cost</i>
<i>Tax system and fees simplified and improved</i>	❖ Sales tax collected on sales	\$5,000
	❖ Sales tax on liquor decreased and sustained	\$3,000
	❖ Taxes are simplified and improved	\$10,000
	❖ Tax report forms and procedures clarified and restructured	\$3,000

Table 2-RR: Business & Trade Result 11 Activities and Costs

<i>Result 11</i>	<i>Activities</i>	<i>Cost</i>
<i>Privatize select government services and functions that could be well-managed by private sector.</i>	❖ Strengthen dialogue exploring establishment of government downsizing program.	---
	❖ Conduct assessment on prospective government services and functions that can be feasibly undertaken by the private sector.	\$5,000
	❖ Strengthen and maintain government-private sector dialogue and partnership in order to establish and maintain unison on services placed on downsizing program.	\$2,000
	❖ Establish and implement transition plan for respective government service or function placed on downsizing program.	\$5,000

Table 2-SS: Business & Trade Result 12 Activities and Costs

<i>Result 12</i>	<i>Activities</i>	<i>Cost</i>
<i>Increased volume of trade via shipping services.</i>	❖ Support and lobby for sustained consistent schedule of east and west-bound shipping routes and services.	\$7,000
	❖ Maintain a business-friendly trade environment and framework.	\$5,000
	❖ Secure regional and overseas trade partners.	\$25,000
	❖ Support and collaborate with productive sectors on ensuring strengthened production for increased trade.	\$19,000
	❖ Provide support to private sector in facilitation of periodic export activities ensuring increased trade of Kosrae production via shipping services.	\$15,000

Section 3: Culture & Social

Kosrae SDP promotes and aims on promoting and preserving a society of equality, order and more so one that promotes and preserves a societal way of life that is conducive to effective development of its human resources, economic development and effective governance of the people and society while honoring and preserving a culture and way of life that is unique to Kosrae.

Social development in the Kosrae SDP is focused into three areas: 1) Culture, 2) Social, and 3) Youth.

Culture & Social – Culture

As its name would suggest, the Culture component of the Social and Culture Sector of the Kosrae SDP promotes the Kosraean culture. In the process to develop the Culture plan, stakeholders of the culture sector acknowledged that inefficient and uneconomical social practices have become the social norms currently practiced in the communities, with particular to funeral practice, among others.

The Culture sector is also keen on establishing a body of Cultural Leaders by way of passage of State Law, with the understanding that the system of traditional leaders (kingship) had been abolished in the past. Per understanding from the effort to establish this body of cultural leaders, such law would not reinstate the Kosrae’s system of traditional leaders; rather would identify and appoint through law traditional leaders to advise on cultural activities or matters.

<p><u>Overall Goal</u></p> <p>“Kosraean culture learned, sustained and promoted.”</p>	<p><u>Overall Goal</u></p> <p>“By 2018, at least 10 cultural practices and norms are noticeably improved and used through international, regional and island showcasing.”</p>
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Table 3-A: Culture Results and Strategic Targets

<i>Results</i>	<i>OVI</i>
1. <i>Cultural and traditional practices, knowledge and practices are improved.</i>	❖ By 2018, improvement of traditional and cultural practices known through surveys.
2. <i>Traditional leaders representatives are identified and recognized</i>	❖ At least one (1) legislation enacted recognizing traditional representatives.
3. <i>Culture and traditional practices supported and appreciated.</i>	❖ By 2016, number of support in cultural and traditional programs or projects increased by 90%.
4. <i>Local language taught to youth groups.</i>	❖ By 2018, at least 100 young people have participated in the Kosraean language training.
5. <i>Cultural norms are re-evaluated and improved.</i>	❖ By 2016, at least 4 traditional norms are improved.
6. <i>Existing cultural laws and regulations improved and enforced.</i>	❖ By 2016, 90% of existing laws and regulations revisited and improved.

7. Resources made available to support traditional knowledge and skills development.	❖ By 2020, surveys showed increase resources.
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Table 3-B: Culture Result 1 Activities and Costs

Result 1	Activities	Cost
<i>Cultural and traditional practices, knowledge and practices are improved.</i>	❖ Promote use of local produce/traditional food at homes.	\$1,000
	❖ Implement an awareness program on value of local food.	\$5,000
	❖ Design and Implement an awareness program on wise use of time.	\$1,000
	❖ Revitalize use of traditional skills through education system.	\$20,000

Table 3-C: Culture Result 2 Activities and Costs

Result 2	Activities	Cost
<i>Traditional leaders selected and agreed upon</i>	❖ Traditional leaders identified	\$ -
	❖ Lobby for adoption of enabling legislations	----

Table 3-D: Culture Result 3 Activities and Costs

Result 3	Activities	Cost
<i>Culture and traditional practices supported and appreciated.</i>	❖ Improve collaboration efforts among agencies and local groups.	---
	❖ Implement demonstrative programs on culture and tradition.	\$20,000
	❖ Design and implement local skill trainings program to reflect cultural/tradition-fishing, farming, family, etc.	\$15,000

Table 3-E: Culture Result 4 Activities and Costs

Result 4	Activities	Cost
<i>Local language taught to youth groups.</i>	❖ Teach and promote use of vernacular among youngsters.	\$8,000
	❖ Parents have more time in teaching their kids in local language and culture instead of social activities.	\$ -

Table 3-F: Culture Result 5 Activities and Costs

Result 5	Activities	Cost
<i>Cultural norms are re-evaluated and improved.</i>	❖ Enforce and practice traditional family norms among family members.	\$ -
	❖ Enact laws to protect culture and tradition.	\$1,000
	❖ Design and implement effective counseling programs to understand marriage life.	\$15,000

Table 3-G: Culture Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Existing cultural laws and regulations improved and enforced.</i>	❖ Revisit existing laws and regulations.	\$ -0-
	❖ Revisit existing law and amend to reflect Sunday norms.	\$100
	❖ Improve capacity and skills of enforcement	\$5,000
	❖ Support for Culture and Tradition as priority.	\$-0-
	❖ Enact new laws & rags to protect culture & tradition.	\$200
	❖ Improve capacity and skills of the enforcement personnel.	\$2,000
	❖ Re-align legal framework to address traditional land ownership system.	\$300
	❖ Enact laws to protect culture/tradition practices in the sale of family land.	\$300

Table 3-H: Culture Result 7 Activities and Costs

<i>Result 7</i>	<i>Activities</i>	<i>Cost</i>
<i>Resources made available to support traditional knowledge and skills development.</i>	❖ Design and implement local skill transfer program.	\$10,000

Kosrae Strategic Development Plan

Culture & Social – Gender

As its name would suggest, Gender sector promotes social equity in the communities and all levels in Kosrae with regard to Gender (women of all ages). As indicated in the goal statement shown below, the Gender plan is keen on increasing the knowledge, skills and opportunities of women that would enable women to participate in economic, political and social life.

The Gender plan promotes improvement in the status of women (inclusive of economic, legal, political and social) and equity/equality of women in the community or in any relevant juncture while also improving the capacity of women as well as promoting improving governance of gender matters and activities.

<p><u>Overall Goal</u></p> <p>“Women have increased knowledge, skills and opportunities to enable them to participate in economic, political and social life.”</p>	<p><u>Overall Goal</u></p> <p>No. of seats held by women in all levels of government.</p> <p>Legislative compliance with CEDAW</p>
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Table 3-I: Gender Results and Strategic Targets

Results	OVI
<p>1. <i>The Cultural, Economic, Legal, Political and Social Status of Women is enhanced and promoted.</i></p>	<ul style="list-style-type: none"> ❖ At least one female political representative in Government (National, State or Municipal) by 2023. ❖ Full Legislative compliance with CEDAW by 2023.
<p>2. <i>Women’s leadership capacity, roles and voice in decision making enhanced.</i></p>	<ul style="list-style-type: none"> ❖ At least one Kosraean female political representative in Government (National, State or Municipal) by 2023. ❖ Women and women’s interests are increasingly represented; effective and visible in leadership positions at all levels of decision making.
<p>3. <i>Gender mainstreaming is improved in all sectors, organizations and Governments.</i></p>	<ul style="list-style-type: none"> ❖ 5 sectors/organizations or institutions have implemented gender mainstreaming strategies by 2018.
<p>4. <i>Women’s participation in environmental protection and natural resource management promoted, supported and increased.</i></p>	<ul style="list-style-type: none"> ❖ Increased knowledge and skills provided to women to assist protection of the environment and natural resource management.
<p>5. <i>Domestic Violence Legislation L.B 10.20 implemented, support services (as resources allow) promoted and domestic peace for community members achieved.</i></p>	<ul style="list-style-type: none"> ❖ Annual workshop and training undertaken in key agencies and the community in relation to domestic peace and gender based violence. ❖ Domestic Violence legislation enacted by 2014.

6. <i>Family and community well-being strengthened</i>	<ul style="list-style-type: none"> ❖ By 2017 domestic violence and gender-related incidences decreased by 20%. ❖ At least one (1) awareness and educational program(s) on family and community well-being conducted annually.
7. <i>Health outcomes improved and health and social services for women and girls enhanced.</i>	<ul style="list-style-type: none"> ❖ Access to reproductive services and family planning services extended by 2017. ❖ Counseling and shelter services established 2018.
8. <i>Women's institutions, networking and governance strengthened.</i>	<ul style="list-style-type: none"> ❖ Action plans and operational procedures established by and through women's organizations

Table 3-J: Gender Result 1 Activities and Costs

<i>Result 1</i>	<i>Activities</i>	<i>Cost</i>
<i>The Cultural, Economic, Legal, Political and Social Status of Women is enhanced and promoted.</i>	❖ Implement a series of cultural preservation programs annually and encourage sales of handicrafts, local foods to generate income for women/families (\$5,000 annually towards preservation, recording and workshop costs)	\$ 5,000
	❖ Support ongoing initiatives to develop central cultural sharing and retail space in Tofol and showcase products when constructed.	\$ -
	❖ Enhance political empowerment of women through implementation of capacity building programs and development of policies that will strengthen female participation (learning from other countries)	\$ 10,000
	❖ Implement economic development programs to increase opportunities, skills and increased access for women to engage in self-employment opportunities and development of small micro-enterprises and entrepreneurship programs	\$ 10,000
	❖ Facilitate workshops and training in areas such as cooking, sewing and handicrafts.	\$ 5,000
	❖ Construct and support operations for a day care centre in Tofol to support the increased participation of women and careers in the workforce	\$ 87,000

Table 3-K: Gender Result 2 Activities and Costs

<i>Result 2</i>	<i>Activities</i>	<i>Cost</i>
<i>Women's leadership capacity, roles and voice in decision making enhanced.</i>	❖ Conduct leadership, advocacy and management training for women and youth	\$10,000
	❖ Capacity building assessment undertaken. (Review detailed needs for training)	\$3,000

❖ Women and girls mentored to undertake scholarship and leadership opportunities in Kosrae and regionally.	\$5,000
❖ Undertake community development and advocacy programs to promote the role of women in local leadership roles. (Learning from other Pacific countries)	\$0
❖ International Women’s Day supported annually as a vehicle for awareness and promotion of women.	\$2,000
❖ Support initiatives to reduce existing negativity and enable positive and pro-active working culture between and for women on Island.	\$0

Table 3-L: Gender Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Gender mainstreaming is improved in all sectors and departments.</i>	❖ Organize and undertake gender management training and awareness campaigns on specific gender issues.	\$10,000
	❖ Improve the capacity of supporting agencies (police, social welfare, health and the justice system) to respond adequately to gender-based violence	\$10,000
	❖ Establish a pool of trainers on gender mainstreaming	\$10,000

Table 3-M: Gender Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Women’s participation in environmental protection, agriculture and natural resource management promoted, supported and increased.</i>	❖ Provide training and education awareness on environmental protection methods and resource management.	\$5,000
	❖ Beautification and clean up days implemented and supported by women’s groups.	\$1,500
	❖ Home gardening initiatives and programs including Women in Farming supported expanded and implemented. In particular initiatives support use of local foods, reduce to cost of living expenses, reduction of salt intake and healthy lifestyles/eating.	\$10,000

Table 3-N: Gender Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Domestic Violence Legislation implemented, support services promoted and domestic peace for community members achieved.</i>	❖ Implement a women led domestic peace advocacy, education and awareness program - “Kosrae Island women working together to reduce domestic peace”	\$2,000
	❖ Domestic Violence Bill L.B 10-20 enacted and implemented.	---
	❖ Undertake a review and work towards state compliance with the CEDAW conventions.	Costing TBD
	❖ Implement violence prevention awareness programs alongside family planning, maternal and child/adolescent health care through integrated community awareness and outreach.	\$5,000
	❖ Capacity building training delivered in the area of family protection and prevention and response, including education on existing legislation available e.g. Family Safety Restraining Order.	\$1,000
	❖ Mainstreaming community safety and gender based violence in health and public safety policies and protocols	Costing TBD
	❖ Support resourcing and recruitment of a female police officer.	---

Table 3-O: Gender Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Family and community well-being strengthened</i>	❖ Review undertaken on number of social and community events and the positive or negative impact on family and community wellbeing and obligations placed on women and families to provide for many events in the community.	\$1,500
	❖ Provide community awareness/workshops on skills to help control and manage increasing issues such as children’s use of drugs, alcohol, excessive TV viewing, cell phone use, internet (pornography, cyber-bullying, inappropriate access).	\$5,000
	❖ Support Department of Education initiatives for further awareness of the importance of community and family participation in education	-----
	❖ Support initiatives to provide more local foods to funerals rather than western costly foods.	-----
	❖ Support community initiatives to reduce the divorce rate rising due to young age of marriage, unprepared/uninformed and arranged marriages.	-----

Table 3-P: Gender Result 7 Activities and Costs

<i>Result 7</i>	<i>Activities</i>	<i>Cost</i>
<i>Health outcomes improved and health and social services for women and girls enhanced.</i>	❖ Training for staff dealing with gender specific health or social issues.	\$5,000
	❖ Resource family planning programs to assist prevention of teenage pregnancies.	\$10,000
	❖ Implementation of NCD prevention programs	Costing TBD
	❖ Undertaken healthy cooking and lifestyle programs.	Costing TBD
	❖ Support sporting programs facility development and healthy spaces/environment maintenance for ongoing safe community access and active participation by women.	-----

Table 3-Q: Gender Result 8 Activities and Costs

<i>Result 8</i>	<i>Activities</i>	<i>Cost</i>
<i>Women's institutions, networking and governance strengthened.</i>	❖ Implement capacity building initiatives to strengthen the governance, planning and resources for community groups on island.	\$5,500
	❖ Support community groups and NGOs with grant writing workshops and ongoing project implementation and monitoring training.	\$1,000
	❖ Seek funding for Kosrae Women's Groups to attend appropriate, relevant and cost effective off island networking, conference and training opportunities.	\$1,000

Kosrae Strategic Development Plan

Culture & Social – Youth

As its name would also suggest, the Youth sector promotes equity and opportunities for youth to develop. The Youth plan is keen on promoting increased advocacy and coordination of youth activities and affairs, while also promoting empowerment programs and opportunities to ensure proper physical, psychological, social and economic development of youth individuals in Kosrae.

The process to develop the Youth sector plan acknowledged that coordination and advocacy of youth activities and matters are lacking and warrants improvements in the future. Close to unanimous sentiment was shared among stakeholders of the Youth sector that strengthened advocacy and improved coordination of youth affairs at all levels of governments should be encouraged.

Youth stakeholders also shared with near unanimity that opportunities to establish and provide empowerment and recreation programs and activities should be pursued to educate and prevent problems arising from issues including but not limited to teen pregnancy, suicide, substance abuse, among others.

<p><u>Overall Goal</u></p> <p>“Provide an environment and opportunities for Kosrae youth to enhance their interests, skills, and abilities.”</p>	<p><u>Overall Goal</u></p> <p>“Increased youth employment at least 5% by 2017;</p> <p>Increased participation in youth skill development trainings and programs”</p>
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Table 3-R: Youth Results and Strategic Targets

<i>Results</i>	<i>OVI</i>
1. <i>Increased and strengthened co-ordination, advocacy and representation of youth voice in youth-relevant affairs.</i>	❖ Coordination and networking between state, national and municipal offices improved by 2016.
2. <i>Strengthened recognition and support for youth issues.</i>	❖ Increased technical, budgetary, and institutional support from municipal, state and national governments by 2015.
3. <i>Youth recreational and activities facilities identified or established.</i>	❖ Youth substance use and abuse decreased by 2023. ❖ Cases of youth obesity and lifestyle diseases decreased by 2023.
4. <i>Develop and strengthen youth mentality of voluntary participation and civic engagement.</i>	❖ Youth participation in community and civic activities increased by 50% by 2018.
5. <i>Youth capacity strengthened.</i>	❖ At least five (5) youth individuals participate in skill and capacity development program annually.
6. <i>Provide activities and services addressing health and social problems of Kosrae youth.</i>	❖ By 2016, at least 15% decrease in number of underage

	substance users.
	❖ By 2017, at least 20% decrease in the number of teenage pregnancy cases.
7. <i>Cultural and traditional knowledge, values and skills amongst Kosrae youth strengthened.</i>	❖ By 2023, at least 20% of Kosrae youth gained traditional skills and knowledge.

Table 3-S: Youth Result 2 Activities and Costs

<i>Result 1</i>	<i>Activities</i>	<i>Cost</i>
<i>Increased and strengthened co-ordination, advocacy and representation of youth voice in youth-relevant affairs.</i>	❖ Improve co-ordination of youth affairs and lobby for an establishment of a central youth office or designated youth liaison.	\$30,000
	❖ Establish state youth policy with inclusive of provisions to include youth representatives in appropriate and relevant junctures.	\$3,000
	❖ Youth organizations legally recognized and incorporated in local and state governments.	\$3,000

Table 3-T: Youth Result 2 Activities and Costs

<i>Result 2</i>	<i>Activities</i>	<i>Cost</i>
<i>Strengthened recognition and support for youth issues.</i>	❖ Conduct consultations with state and municipal leaders to sensitize leadership on youth issues.	\$1,000
	❖ Establish youth, state and municipal partnership with focus on strengthening youth civic engagement and contribution.	\$ -
	❖ Source, utilize and sustain source of funding assistance from state and national governments, as well as donor partners.	\$1,000
	❖ Youth fund sourcing capacity improved.	\$5,000
	❖ Increase and expand fund raising activities at state and community youth organization levels.	\$500

Table 3-U: Youth Result 3 Activities and Costs

<i>Result 3</i>	<i>Activities</i>	<i>Cost</i>
<i>Youth recreational and activities facilities identified or established.</i>	❖ Sensitize and lobby to secure endorsement from both leadership at both state and municipal government on the establishment and ongoing resourcing of youth recreational facilities.	\$3000
	❖ Source and utilize available funding assistance from donor partners.	\$3000

Table 3-V: Youth Result 4 Activities and Costs

<i>Result 4</i>	<i>Activities</i>	<i>Cost</i>
<i>Develop and strengthen youth mentality of voluntary participation and civic engagement.</i>	❖ Conduct workshops to youth and parents on the value and significance of active youth civic engagement.	\$2,500
	❖ Strengthen networking by and through Kosrae youth groups.	--
	❖ Expand youth empowerment programs, e.g. Scouts.	\$10,000

Table 3-W: Youth Result 5 Activities and Costs

<i>Result 5</i>	<i>Activities</i>	<i>Cost</i>
<i>Youth capacity strengthened.</i>	❖ Support youth training and skills development programs with emphasis on trade and/or vocational skills.	1000
	❖ Lobby and support strengthening of state GED program.	\$500
	❖ Establish partnership with financial institutions and business development entities to focus on developing financial literacy, business management and entrepreneurial skills of our youth.	\$1,500
	❖ Lobby and support expansion and strengthening of career initiative and on-job training programs, e.g. WIA.	\$500
	❖ Available external youth capacity building opportunities utilized.	\$5,000

Table 3-X: Youth Result 6 Activities and Costs

<i>Result 6</i>	<i>Activities</i>	<i>Cost</i>
<i>Provide activities and services addressing health and social problems of Kosrae youth.</i>	❖ Lobby and support strengthening of education and awareness programs on youth health and social issues.	1500
	❖ Establish partnership with appropriate entities with focus on expanding reproductive health awareness and education program, courses or services.	\$5,000
	❖ Expand and strengthen substance use prevention education and awareness programs and/or services.	\$5,000
	❖ Lobby for establishment or expansion of pre-marital counseling and family planning education program or services.	\$ -
	❖ Establish pre-marital counseling requirement for youth.	\$3,000
	❖ Promote increased community-based unplanned pregnancy education and prevention programs.	\$5,000
	❖ Support strengthened enforcement of youth substance abuse policy.	\$3,000

Table 3-Y: Youth Result 7 Activities and Costs

<i>Result 7</i>	<i>Activities</i>	<i>Cost</i>
<i>Cultural and traditional knowledge, values and skills amongst Kosrae youth strengthened.</i>	❖ Establish cultural and traditional skills transfer programs with community elders.	\$3,000
	❖ Increase documentation and involvement of youth in preservation of traditional/cultural knowledge, values, and skills.	\$3,000

Section 4: Cross-Cutting Areas

The SDP also promotes planning and development of cross-sector areas: capacity building, infrastructure, LTFF, and public safety. The significance of these areas is taken into consideration in the Kosrae SDP; however, as may be understood from the design of the SDP – and as discussed previously, these areas are not listed as stand-alone sectors due to their overarching and cross-cutting nature.

Public Safety

<p><u>Overall Goal</u></p> <p>“Maintain peace and safety; ensure order and protecting the rights of all people in the State of Kosrae by professional delivery of law enforcement.”</p>	<p><u>Overall Goal</u></p> <p>“At least 5% decrease in crimes against persons annually.”</p> <p>“Increased compliance of laws and regulations.”</p>
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Table 4-A: Public Safety Results and Strategic Targets

<i>Results</i>	<i>Strategic Targets</i>
1. <i>Increased budgetary support to enhance law enforcement.</i>	<ul style="list-style-type: none"> ❖ One (1) system of evaluation and performance appraisal for officers established and implemented by 2014. ❖ One (1) recruitment system established by 2015.
2. <i>Increased and strengthened crime prevention programs in Kosrae.</i>	<ul style="list-style-type: none"> ❖ Five (5) police substations established in the Kosrae communities by 2017.
3. <i>Strengthened community relations programs enhancing relations with the public and strengthening public understanding and knowledge of state laws.</i>	<ul style="list-style-type: none"> ❖ At least four (4) outreach programs conducted annually in the Kosrae communities. ❖ At least one (1) policy adopted specifying and ensuring active roles of government entities in educating the public on Kosrae laws.
4. <i>Kosrae State Code revisited to provide clear and comprehensible laws.</i>	<ul style="list-style-type: none"> ❖ At least one (1) review of State Laws conducted annually.
5. <i>Strengthened capacity of law enforcement unit in Kosrae.</i>	<ul style="list-style-type: none"> ❖ 100% of law enforcement personnel received professional training and up-skilling in areas relevant to law enforcement by 2023.
6. <i>Strengthened law enforcement through community participation</i>	<ul style="list-style-type: none"> ❖ One (1) law enforcement network inclusive of police force and community members established by 2015.

Infrastructure

Infrastructure is a vital component for economic or other forms of development. Kosrae SDP takes into consideration the notion that implementation and eventual achievement of aspirations and strategic targets identified in this plan necessitate existence of certain infrastructure. Infrastructure needs of actions and goals in the Kosrae SDP are included in respective sector action plan.

The Infrastructure Policy Implementation Committee (IPIC) is a governing body created by law, as its name would suggest, to lead the planning and more so the implementation of infrastructure policies in Kosrae. As emphasized in previous sections of this document - and in the context infrastructure development planning - the Kosrae SDP links and utilizes planning previously undertaken by IPIC for the purpose of facilitating implementation of infrastructure policies and projects. The following tables include the infrastructure projects qualified for IMF as well as general infrastructure projects identified by Kosrae IPIC.

Table 4-B: IDP Infrastructure Projects

Project Category	Cost	Source
Educational Facilities (Total)	\$ 1,000,000	N/A
School Facilities Improvement Phase 2	\$ 1,000,000	Compact
Health Facilities (Total)	\$ 17,000,000	N/A
New Hospital	\$ 17,000,000	Compact
Energy & Communication (Total)	\$ 3,089,000	N/A
New Satellite	\$ 350,000	Compact
Power Improvement	\$ 2,739,000	Other/Sourcing
Road & Pedestrian Facilities (Total)	\$ 16,620,000	N/A
Okat Channel Bridge	\$ -	China (\$13mill)
Construction & Upgrading of Utwe-Walung Road	\$ 9,300,000	Japan
Upgrade Circumferential Road	\$ 3,000,000	Japan
Cross Island Road	\$ 3,080,000	Compact
Air & Sea Transport Facilities (Total)	\$ 1,765,000	N/A
Runway Extension	\$ -	Other
Terminal Expansion/Equipment	\$ 1,265,000	AIP/Other
PTI Facility Rehab	\$ 500,000	Other/Sourcing
Water Systems (Total)	\$ 7,012,921	N/A
Malem Water System	\$ 2,000,000	ADB
Utwe Water System	\$ 1,400,000	ADB
Mutunte/Walung Water System (Tafunsak)	\$ 2,150,921	Other/Sourcing
Lelu Water System Project	\$ 2,862,000	RUS, KSG Matching
Solid Waste & Wastewater Management	\$ 6,146,000	N/A
Lelu/Tofol Wastewater	\$ 6,146,000	Compact
Social/Government Facilities (Total)	\$ 1,000,000	N/A
KSL New Complex	\$ 1,000,000	Other
Total Infrastructure	\$ 36,632,921	

Source: Kosrae IPIC Infrastructure Listing

Provisions of the Amended Compact require that 5% of infrastructure grants are allocated toward an Infrastructure Maintenance Fund (IMF) and can be mobilized to fund maintenance of public infrastructures. Table 6-C shows the costing by sector for the projects listed in the IMF listing. It must be noted that detailed listing of sector projects are on Appendix 3 .

Table 4-C: IMF Sector Funding Needs

Sector	Project Cost
	<u>Total Cost:</u> \$5,502,334
Education	\$95,000
Health	\$340,000
Environment	\$40,000
Transportation	\$2,401,384
Farm Access Road Improvement	\$1,577,000
Public/Social Infrastructure	\$568,950
Sports/Recreational Infrastructure	\$85,000
Other Municipal Governments Infrastructure (Total)	\$395,000

Source: Kosrae IPIC IMF Listing

Capacity Building

Kosrae SDP is keen on also planning for the development of the human capacity necessary for the implementation of the goals set forth in the development plan. As previously discussed, Capacity Building is a cross-cutting area of the SDP. The design of the SDP necessitates sectors to identify capacity building needs in the process to develop the SDP. As such capacity building needs are built-in and included in action plans for respective development sector.

Kosrae SDP acknowledges the need for more detailed planning to address capacity building needs for Kosrae. This sentiment is also shared by JEMCO which has recently passed a resolution requiring Compact-funded entities to undergo effort to establish a plan to address need for capacity building. To this end, and although some planning for capacity building is made in the Kosrae SDP, much detailed and dedicated plan would be further developed down the line.

Governance and Fiscal

Kosrae SDP acknowledges that effective governance and fiscal stability are essential to sustained economic growth and thus takes into consideration the previous planning efforts to improve Kosrae's governance or fiscal performance; particularly the Long-Term Fiscal Framework and fiscal reforms endorsed by the Kosrae leadership in 2011 and further 2012 Leadership Conferences.

Long-Term Fiscal Framework

Kosrae had undertaken a process to develop a plan that addresses apparent decreases to Kosrae's finances, particularly funding afforded through the Amended Compact. This process undertaken in 2012 had produced a plan, the Long-Term Fiscal Framework (LTFF), which established a fiscal management plan to account for the persistent decrements in Compact funding.

LTFF establishes a targeted level of fiscal compression through expenditure cutting of 18% over a 10-year period. Following is the departmental summary sheet representing the expenditure cuts phased into three increments: FY2014, FY2017 and FY2020.

KOSRAE LTFF DEPARTMENTAL SUMMARY SHEET

		FY13 Budget	FY14 Reduction		FY17 & FY20 Reduction		Total Reduction	
1	Education	2,193,604	62,460	2.85%	332,024	15.14%	394,484	17.98%
2	Health Services	2,105,186	125,819	5.98%	263,181	12.50%	389,000	18.48%
3	Legislature	615,722	50,000	8.12%	73,144	11.88%	123,144	20.00%
4	DREA	607,188	47,781	7.87%	71,657	11.80%	119,438	19.67%
5	Admin & Finance	480,777	73,579	15.30%	12,772	2.66%	86,351	17.96%
6	Attorney General	410,376	40,000	9.75%	40,000	9.75%	80,000	19.49%
7	Judiciary	364,591	17,000	4.66%	54,763	15.02%	71,763	19.68%
8	Transp & Infra	297,604	12,755	4.29%	48,448	16.28%	61,203	20.57%
9	KIRMA	266,350	19,664	7.38%	32,336	12.14%	52,000	19.52%
10	Scholarships	238,507	6,140	2.57%	41,561	17.43%	47,701	20.00%
11	Governor's Office	180,670	14,000	7.75%	22,129	12.25%	36,129	20.00%
12	Public Auditor	154,868	10,200	6.59%	17,600	11.36%	27,800	17.95%
13	Visitors Bureau	109,931	8,414	7.65%	13,405	12.19%	21,819	19.85%
14	Kosrae SBDC	56,571	3,507	6.20%	7,015	12.40%	10,522	18.60%
15	Broadcast Auth	51,231	4,141	8.08%	6,250	12.20%	10,391	20.28%
16	Sports Council	17,763	1,500	8.44%	2,400	13.51%	3,900	21.96%
	TOTAL	8,150,939	496,960	6.10%	1,038,685	12.74%	1,535,645	18.84%

Fiscal Reforms

The Kosrae government acknowledges the need for undertaking fiscal reforms in the interest of achieving greater government efficiency. Kosrae held leadership conferences in 2011 and 2012 which identified and endorsed reform commitments to improve Kosrae's dire fiscal outlook. A Kosrae Adjustment Policy Implementation Team (KAPIT) was formulated and tasked with the implementation of the fiscal adjustment commitments endorsed the aforementioned leadership conferences.

The implementation effort of KAPIT resulted with a number of reform measures in the form of legislations submitted to the leadership for approval, inclusive of revenue reforms by way of taxes and fees, and structural reforms which necessitates amendments to the Kosrae Constitution. The structural reforms include measures to decrease the number of Senators in the Kosrae State Legislature by four (4) members, or one (1) from each municipality, and reforms to the revenue sharing formula between the State and the Municipal Governments. These reforms are currently in the enabling process.

Chapter 4: Implementation & Monitoring

In the consultations conducted during the plan formulation stage, the Project Team and Steering Committee came across or received comments emphasizing need for effective implementation of the plan. According to observations solicited during the consultations, it has generally been the observation that plans are developed and became a shelf product bringing to light question over adherence to plans and effective implementation of the plans. To this end, Kosrae SDP places emphasis to ensure that ineffective implementation would not be the case with this plan.

To ensure effective implementation of the Kosrae SDP, implementation is focused into a number of areas: financing, and implementation and monitoring.

Section 1: SDP Financing

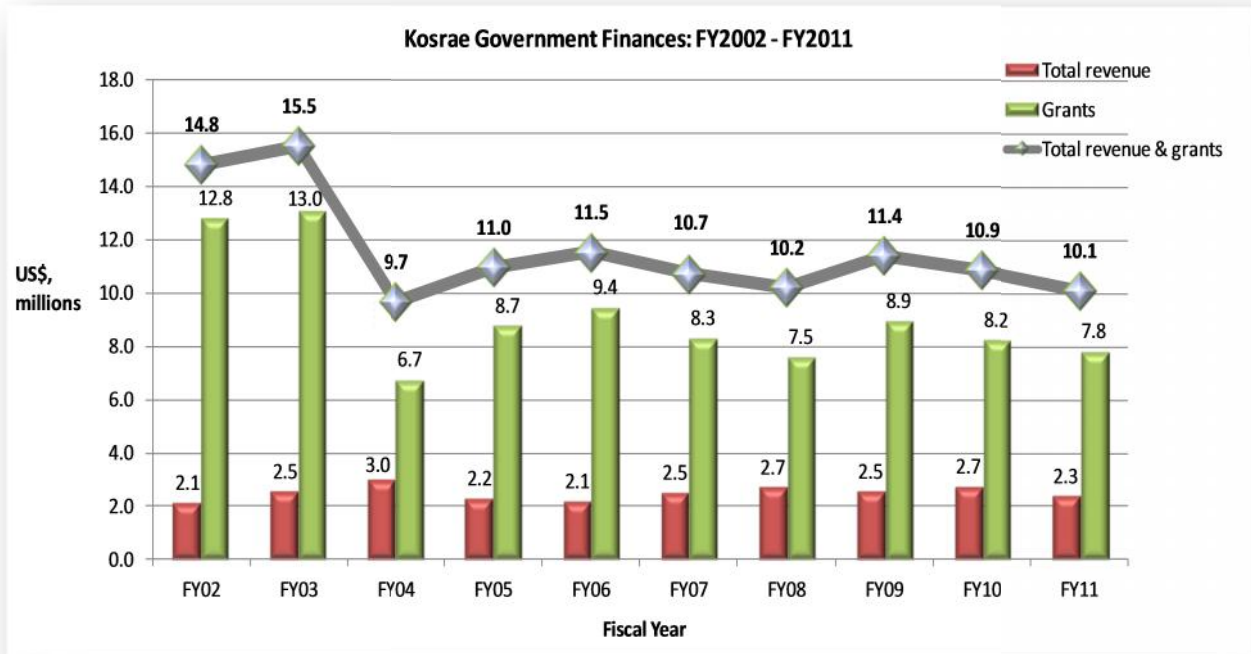
Plan financing is a vital aspect in the success of the implementation of the KSDP. As discussed in the previous sections, Kosrae has generally been reliant on funding from external sources, particularly from financial assistance afforded through the Compact of Free Association with the United States. It is understood that the prospect of discontinuance of financial assistance from the US upon the expiration of the current Amended Compact is very much a possibility.

Table 1-A shows the cost for the activities identified in the Kosrae SDP. It should be noted that the cost included in the financing table are based on estimations made during the formulation process of the Kosrae SDP and as such would not necessarily reflect the cost that would otherwise derived from detailed, thorough costing exercise.

Table 1-A: Plan Financing Table

Sector	Cost	Funding Source
Health	\$1,435,000	Compact
Education	\$11,799,900	Compact
Environment	\$27,697,400	Compact/Other
Private Sector	\$13,311,000	Compact/Other
PS - Tourism	\$1,465,500	Compact
PS - Fisheries	\$3,019,500	Compact/Other
PS - Agriculture	\$821,300	Compact/Other
PS - Energy	\$6,537,700	Other
PS - Business & Trade	\$1,467,000	Compact/Other
Social and Culture	\$395,400	Local/Other
SC - Culture	\$103,900	Compact/Other
SC - Gender	\$197,500	Other
SC - Youth	\$94,000	Other
Infrastructure	\$42,427,783	Compact/Other
IDP Projects	\$36,632,921	Compact/Other
IMF Projects	\$5,794,862	Compact/Other
Public Safety	\$150,000	Local/Other
Total SDP:	\$97,066,483	

Funding trends for Kosrae shows overwhelming reliance on external assistance to fund a substantial part of Kosrae’s operations. The following chart shows the level of funding for Kosrae for 2002 to 2011. As can be understood from the above table of costs and the chart below, effort must be made to utilize or secure assistance to fully finance and implement activities set forth in the Kosrae SDP.



Historically, Kosrae has established good partnership from donor countries and organizations in the past. It is acknowledged that form of assistance should be sought and welcomed to finance and better implement activities and achieve goals set in the KSDP.

Bilateral and Multilateral Partnership and Cooperation

Chapter 2 brings to light the notion that Kosrae lacks resources and thus have been reliant on external financial assistance. Although Kosrae has ambitions to ultimately develop its financial capacity in the long run to realize self-sufficiency, it is understood that achieving such feat is less likely to take place in the near term.

As previously discussed, Private Sector (Fisheries) explore the revitalization of the tuna processing complex situated in Okat, Tafunsak. Such project require substantial capital investment and technical skills. With Kosrae’s apparent financial limitations, assistance and cooperation with donor partner’s and organizations are envisaged to be major player in the implementation and financing of Kosrae’s SDP.

Section 2: SDP Implementation and Monitoring

As discussed in previous sections, the KSDP develops sector logframes for respective sectors identified in the KSDP. Sector logframes are essentially sector action plans and more importantly, a tool to informing and guiding implementation of results, activities and ultimately achieving strategic targets identified for respective sectors.

The SDP is designed in such a way that a respective entity, or in some cases, a few entities collaborate as the lead entities in overseeing the implementation of the sector plans. Furthermore, the development matrix or approach utilized for the SDP identifies the department, office, agency or generally the entities responsible for implementing results or specific activities. Additionally, the timeframe for commencing and fully implementing respective activity is also specified in the matrix as well. Although respective entities are tasked to lead implementation of respective sector plans, the KSDP also designates an entity to undertake monitoring of sector plan implementation, and to a broader context the implementation of the KSDP in general. Department of Resources and Economic Affairs, Division of Economic Planning, serves as the entity to undertake the task of monitoring the implementation of the KSDP. Division of Economic Planning shall work jointly with Budget Office, DAF to ensure successful implementation of the plan.

Design of the KSDP establishes two aspects to the monitoring of plan implementation:

- ❖ Annual Monitoring; and
- ❖ 3-Year Periodic Review.

Annex 2 of this document provides the KSDP Monitoring Matrix as a tool in which the monitoring entity would utilize to monitor status of plan implementation through the duration of the plan. Monitoring of using the Monitoring Matrix will be conducted on an annual basis with reference to identified measurable indicators, baseline of indicator as of 2012, and actual growth or decreases of respective indicators per successive years subsequent to 2014.

Monitoring of the Kosrae SDP is envisaged to conform to the current budget formulation and reporting process. Similar to the budgetary process currently practiced, monitoring of the Kosrae SDP establishes reporting requirement to be conducted on a quarterly and annual basis. Adherence to these requirements would ensure monitoring of the progress of the implementation of sector action plans, or the Kosrae SDP in general.

KSDP is also designed mindful of the possibility of inadvertent changing circumstances that may arise in the future. As previously alluded to, one aspect of the monitoring of the KSDP is 3-year periodic reviews. Three-year periodic reviews are established in the KSDP for the state to review status of development as of that period, re-assess reality or achievability of ambitions, objectives and strategic targets established in the Plan, and adjust and realign direction of development as may be deemed necessary.

Periodic reviews are established in the KSDP and are envisaged to involve the State Leadership and stakeholders of the plan.

Appendices

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Appendix 1A: Kosrae Real GDP by Industry, FY2002-FY2011

<i>Industry Sector</i>	<i>FY02</i>	<i>FY03</i>	<i>FY04</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>	<i>FY08</i>	<i>FY09</i>	<i>FY10</i>	<i>FY11</i>
<i>Agriculture, Hunting and Forestry</i>	1.1	1.0	1.0	1.0	0.9	0.9	0.9	0.9	0.8	0.8
<i>Fisheries</i>	0.8	0.8	0.8	0.8	0.8	0.9	0.8	1.0	1.0	1.0
<i>Mining and Quarrying</i>	~	~	~	~	~	~	~	~	0.0	0.0
<i>Manufacturing</i>	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<i>Electricity, Gas and Water Supply</i>	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
<i>Construction</i>	0.9	1.2	1.2	1.1	1.0	0.9	1.1	1.8	1.4	2.3
<i>Wholesale and Retail Trade and Repairs</i>	2.0	1.9	2.0	1.7	1.9	1.8	1.6	1.7	1.9	1.8
<i>Hotels and Restaurants</i>	0.3	0.3	0.3	0.3	0.2	0.3	0.2	0.2	0.2	0.2
<i>Transport, Storage and Communications</i>	1.0	1.0	0.9	0.9	0.8	0.8	0.7	0.8	0.7	0.7
<i>Financial Intermediation</i>	0.7	0.3	0.2	0.3	0.3	0.3	0.3	0.2	0.3	0.3
<i>Real Estate, Renting, Business Activities</i>	2.1	2.0	2.0	2.0	1.8	1.8	1.8	1.7	1.7	1.8
<i>Public Administration</i>	3.7	3.4	3.0	3.1	3.0	2.8	2.4	2.3	2.3	2.4
<i>Education</i>	2.3	2.3	2.4	2.5	2.6	2.9	2.9	2.9	2.7	2.8
<i>Health and Social Work</i>	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2
<i>Other Community, Social, Personal Services</i>	0.2	0.2	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.1
less intermediate FISIM	-0.5	-0.2	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
<i>GDP at basic prices</i>	16.4	15.9	15.6	15.2	15.2	15.0	14.4	15.1	14.9	15.9
Taxes on products	1.5	1.5	1.4	1.5	1.3	1.4	1.2	1.3	1.3	1.5
less subsidies	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
<i>GDP at purchasers prices</i>	17.7	17.2	16.8	16.4	16.3	16.3	15.5	16.3	16.0	17.2

Source: FSM Fiscal Year 2011 Economic Review
Graduate School

Appendix 1B: Kosrae Annual Real GDP Growth by Industry Sector, 2002 – 2011

Industry	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
<i>Agriculture, Hunting and Forestry</i>	-3.6%	-2.6%	-3.6%	-2.8%	-3.4%	-0.4%	-4.2%	-2.2%	-3.5%	-1.9%
<i>Fisheries</i>	-1.4%	-2.0%	-2.1%	1.1%	1.7%	7.7%	-2.0%	14.0%	4.0%	3.4%
<i>Mining and Quarrying</i>	~	~	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Manufacturing</i>	3.0%	-0.6%	-9.1%	-14.9%	-7.9%	5.2%	-16.3%	-21.0%	40.2%	-3.4%
<i>Electricity, Gas and Water Supply</i>	-24.7%	30.0%	-8.1%	-6.1%	-6.7%	-2.7%	-3.3%	-2.5%	8.0%	-4.9%
<i>Construction</i>	-20.4%	33.3%	1.2%	-9.8%	-6.1%	-12.0%	18.7%	65.8%	-22.0%	67.6%
<i>Wholesale and Retail Trade and Repairs</i>	-35.2%	-7.9%	6.4%	-13.2%	11.1%	-7.7%	-7.1%	6.0%	11.5%	-7.7%
<i>Hotels and Restaurants</i>	-9.4%	-6.0%	-6.2%	-3.0%	-6.0%	4.9%	-3.9%	-12.5%	14.8%	0.1%
<i>Transport, Storage and Communications</i>	-3.1%	-4.3%	-4.3%	-4.7%	-7.4%	-7.2%	-8.7%	7.3%	-7.4%	2.5%
<i>Financial Intermediation</i>	64.8%	-64.8%	-28.6%	37.1%	12.0%	3.3%	-7.9%	-18.3%	32.1%	13.3%
<i>Real Estate, Renting, Business Activities</i>	-1.5%	-3.1%	0.6%	-2.9%	-5.8%	-0.5%	-4.3%	-1.8%	1.4%	0.8%
<i>Public Administration</i>	13.3%	-8.8%	-9.8%	0.8%	-0.8%	-9.1%	-12.3%	-4.4%	0.8%	3.7%
<i>Education</i>	23.0%	0.1%	4.5%	2.2%	6.6%	11.3%	-0.3%	-1.0%	-4.7%	1.1%
<i>Health and Social Work</i>	28.8%	-2.8%	4.6%	3.3%	-1.4%	4.7%	1.2%	1.5%	3.2%	0.1%
<i>Other Community, Social, Personal Services</i>	16.5%	-10.0%	-55.5%	~	37.7%	32.6%	-18.7%	-3.4%	-20.6%	3.8%
less intermediate FISIM										
<i>GDP at basic prices</i>	-2.4%	-2.8%	-2.2%	-2.7%	0.2%	-1.0%	-4.1%	4.8%	-1.2%	6.5%
Taxes on products	-13.0%	-1.6%	-7.5%	6.4%	-10.7%	7.3%	-13.1%	7.3%	-4.9%	17.9%
less subsidies										
<i>GDP at purchasers prices</i>	0.3%	-2.8%	-2.6%	-1.9%	-0.7%	-0.3%	-4.9%	5.1%	-1.6%	7.5%

Source: FSM Fiscal Year 2011 Economic Review
Graduate School USA

Appendix 1C. Kosrae Employment by Industry, 2002 – 2011

<i>Industry</i>	<i>FY02</i>	<i>FY03</i>	<i>FY04</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>	<i>FY08</i>	<i>FY09</i>	<i>FY10</i>	<i>FY11</i>
<i>Private Sector</i>	587	657	618	575	600	563	541	616	598	585
<i>Public Enterprise</i>	73	73	67	55	53	48	45	41	37	39
<i>Financial Institutions</i>	-	1	4	4	3	4	3	4	9	10
<i>National Government</i>	44	45	44	46	47	71	110	115	115	113
<i>State Government</i>	651	661	665	681	686	630	515	500	500	495
<i>Municipalities</i>	53	56	36	31	34	33	29	28	26	26
<i>Government Agencies</i>	43	22	12	17	10	38	14	21	20	21
<i>NGO's and Non-Profits</i>	1	4	1	3	4	13	11	12	11	12
<i>Households</i>	2	3	3	2	1	1	1	19	14	10
<i>Total</i>	1,453	1,522	1,449	1,415	1,437	1,402	1,269	1,354	1,330	1,311

Source: FSM Fiscal Year 2011 Economic Review
Graduate School USA

Appendix 2: KSDP Monitoring Matrix Template

Quantifiable Measures	2012	2023	Actual										Progress: % Completed
	Baseline	Target	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Indicator 1													
Indicator 2													
Indicator 3													

Appendix 3: IMF Projects

Project	Project Cost
Total Cost:	\$ 5,502,334
Education	\$ 95,000
School Facilities Maintenance	\$ 50,000
Gymnasium Phase II	\$ 45,000
Health	\$ 340,000
Warehouse Renovation/Extension	\$ 75,000
3 in 1 Staff Housing	\$ 50,000
Walung Dispensary	\$ 100,000
O2 Generator Unit	\$ 30,000
Community Health Outpost Upgrade	\$ 20,000
Incinerator Complex	\$ 15,000
Hospital Facility Maintenance	\$ 50,000
Environment	\$ 40,000
Utwe Biosphere Reserve Visitor Center	\$ 40,000
Transportation	\$ 2,401,384
Lelu Causeway Improvement	\$ 559,000
Lelu Causeway Grouted Riprap	\$ 31,034
Road Maintenance Project	\$ 79,350
Kosrae Primary Road Maintenance	\$ 100,000
Seaport Navigation Aids	\$ -
Finkol Bridge	\$ -
Yoarkun Bridge	\$ 25,000
Panyaa Bridge	\$ 30,000
Boro Road Improvement	TBD
Farm Access Road Improvement	\$ 1,577,000
<i>Lelu: 5.19miles (Total Miles x Cost)</i>	<i>\$ 519,000.00</i>
<i>Utwe: 2.82 miles (Total Miles x Cost)</i>	<i>\$ 282,000.00</i>
<i>Malem: 5.66 miles (Total Miles x Cost)</i>	<i>\$ 566,000.00</i>
<i>Tafunsak: 2.1miles (Total Miles x Cost)</i>	<i>\$ 210,000.00</i>
Public/Social Infrastructure	\$ 568,950
KSL Complex Renovation	\$ 195,000
T&I Building Renovation	\$ 206,550
Agriculture & Land Storage Facility	\$ 30,000
Marine & Fisheries Office Renovation	\$ 20,000
Kosrae State Museum Renovation	\$ 50,000
KIRMA Office Renovation	\$ 50,000
KVB Complex Roofing Replacement	\$ 17,400
Sports/Recreational Infrastructure	\$ 85,000
Tennis Court Improvement	\$ 85,000
Other Municipal Governments Infrastructure (Total)	\$ 395,000

Tafunsak Water System	\$	50,000
Tafunsak Playground	\$	75,000
Tafunsak Dumpsite	\$	40,000
TMG Office Renovation	\$	30,000
Utwe Community Playground	\$	52,000
Utwe Dumpsite Improvement	\$	5,000
Malem Farmland Restoration	\$	70,000
Malem Municipal Office Renovation	\$	15,000
Malem Dumpsite Improvement	\$	58,000

Appendix 4: Municipal Consultation Participants

Utwe: February 6, 2013 Utwe Municipal Office	Malem: February 19, 2013 Malem Municipal Office	Lelu: February 20, 2013 Lelu Town Office	Tafunsak: February 21, 2013 Tafunsak Municipal Office	
Lipar George John Martin Lucy A. Killin Patterson Benjamin Bond Segal Lucy A. Killin Huston Waguk Marciano Waguk Vinton Benjamin Foster Waguk Tadasy Andrew Mary N. Livaie Marlinda F. Waguk Mersina C Tulensru Waguk Tadao Waguk Erby S. Tilfas Connie Tulpe Jeffrey Jeffrey Tilfas Gosella Tirime John Belma L. Melander Vanston Wakuk Josiah Waguk Ernisda Nakamura Samuel Nakamura Orlando Joseph Larson Livae Meryulin L. Livae	Anthony George Samuel Talley Pomeroy Kephass Dizon D. Kephass Likiaksa Elesha Tayler A. Talley Andy George Paliknoa Sigrah Boyd Aaron Mallun Talley Robert Jonas Grant Jonas Arthur Talley Witson Phillip Lipar L. George Tara Y. Tara Jeff Timothy Jason Jack Benjamin Talley Paul Aaron Rison Charley Talsong Langu Shrew Johnston Tulpe Timothy Telsin Kephass George C. George Lisina George	Sepe Joston Meltina A. Kibby Lenor Sigrah Ben Jesse Sepe G. Youngstrom Rooston Abraham Aliksa T. Sigrah Hermis Tosie Tatchuo H. Sigrah Presley Abraham Lyndon Abraham, Jr Ross Mike Robert J. Sigrah Isao Mike Maiyomina B. Abraham Ruth Sigrah Frank J. Elley Rimsky Sigrah Hilton Phillip Esau E. Esau Tulensa F. Skilling Kiaru H. Esahu Leonard A. Sigrah Alokoa J. Sigrah Verna Moldon Henreta R. Albert McMillan William Notwe Jesse	Rev. Edmond Salik Mayor Jacob George Rolner Joe Maker L. Palsis Kun Jack Kun Wilson Allen Marciana W. Allen Louise A. Alik Ashley H. Jackson Daisy A. Jackson Espil Tulensru Carla R. Joe Canney Palsis Macnald Jonah Jackson Albert Alokoa E. Sigrah Fletcher Tulensru Rev. Solomon Mongkeya Alerson A. Alik Fred W. Taulung Wigner Joe Natchuo Palsis Teroa W. George Valori Palsis Lorrie Johnson-Asher Johnson Asher Nena Ned	Alokoa Jonathan Kun Mongkeya Jenny Seymour Rickson Jonathan Palik Palsis Kenson Nena Arnald Caleb Solome Martin Mixon Joe Shrue J. George Lulina Edmond Jacob Asher Carlina F. Taulung

Appendix 5: Sector Workshop Participants

Tourism Plan Review

April 5, 2013

Kosrae SBDC Training Room

Reedson F. Edwin
Renton
Katrina Adams
Grant Ismael
Isao Mike
Salik Waguk
Madison Nena
Arthur Jonas
Doug Beitz
Marcilyn Nulud
Wadel Kinere
Standon Andrew
Steven L. George
Andy S. George
John Martin
Witson Phillip
Stanley Raffilman
Paliknoa Sigrah
Beth Josey
Palikkun Kilafwasru

Youth KSDP Workshop

April 16, 2013

Kosrae SBDC

Palikkun N. Kilafwasru
Lipar L. George
Shiro Sigrah
Kiaru H. Esahu
Hanson H. Sigrah
Hans Skilling
Rickson Jonathan
Danny Joe
Likiak A. Melander
Harrison Seymour

**Gender Workshop
April 16, 2013
Administration Atrium**

Carla R. Joe
Sepe Joston
Sian Nivison
Meltina Kibby
R Henry Noda
Florence Nena
Adelyn Noda
Mary Livaie
Salome Martin
Sepe P. Shrew
Maiyomina B. Abraham
Mary Bea Klava
Kenye Hilmon
Dina Mixon
Jesse, Ben
Rev. Nena Kilafwasru
Harrison Seymour
Witson Phillip
Andy George

**Health Workshop
April 2, 2013
Dr.APSMH Conference Room**

Isao Mike
Jacob George
Merlinda Waguk
Cecilia Sigras
Carolee A. Masao
Mirah Palsis
Jesse Jesse
Dr. Ken
Rhyne William
Betsyrose Mongkeya
Salome Martin
Marlinda timothy
Charolton Timothy
Jacob Ned
Madison Nena
Hans Skilling

**Public Safety Workshop May 8, 2013
Personnel Training Room**

Tulensa Skilling
Phillip H. Salik
Joelee Joel
Roy Penrose
Tarren Mongkeya
Likiaksa Benjamin
Randy Laborete
Arthyson Jonas
Alfred Waguk
Jesse Tulensru
Jesse Tulensru
Murphy Sigrah
Aliksa Alik
Gibon Waguk
Fred Nedlic
Ludic Nithan
Berdy S. Talley
Jeffrey S. Tilfas
Steven L. George
Milson Tolenna
Heidi Sigrah

Sian Nivison
Salik Charley
Harrison Olter
Madison Nena

Business & Trade Workshop

**Kosrae SBDC Training Room
Saturday, March 23, 2013**

Madison Nena
Raimond Tulensru
Lipar L. George
Witson Phillip
Movida Mumma
Roxanne charley
Katrina Adams
Sian Nivison
Smith Sigrah
Stanley Raffilman
Kiaru Esau
Edwin Mike

**Infrastructure Review Meeting
Governor's Conference Room
May 1, 2013**

Carson K. Sigrah
Weston N. Luckymis
Jacob Z. George
Sian Nivison
Andy George
Wadel Kinere
William K. Mongkeya
Reedson F. Edwin
Moses Alik
Steven L. George
Kun Mongkeya
Dr. Livinson Taulung
John Martin
Lugo Skilling
Madison Nena
Hairom Livaie
Robert Jackson
Skiller Jackson

**Culture Workshop
Personnel Training Room
16-Apr-13**

Alister Tolenoa
William A. Tara
Berlin Sigrah
Jacob George
Harry Jackson
Tatchuo Sigrah
Rev. Nena Kilafwasru
Moses Alik
Skiller Jackson
Standon Andrew
Maxwell H. Salik
Simpson Abraham
Milson L. Tolenna
Marton Musrasrik
Grant Ismael
Robert Jackson
Hermis Tosie
Beth Josey
Fletcher Tulensru

Fisheries Workshop
Kosrae SBDC Training Room
11-Apr-13

Ben Jesse
Jacob Z. George
Stanley Raffilman
Martin Selch
Yosiwo P. George
Palikkun N. Kilafwasru
Steven L. George
Lyndon Cornelius
Moses Alik
Taylor Talley
Milson Tolenna
Bruno Ned
Madison Nena
Robert H. Jackson
Osamu Nedlic
Andy George
Ronney Tilfas
Hairom Livae
Witson Philip
Murtanel Tolenna