

Strengthening Consumer Protection in Kiribati



A capacity-building program, delivered by the Pacific Private Sector Development Initiative (PSDI) during its fourth funding phase (Phase IV, 2020–2026), is increasing the confidence and skills of officers to investigate complaints and protect consumer rights.

PSDI is supporting the Ministry of Tourism, Commerce, Industry, and Cooperatives to strengthen Kiribati’s consumer protection framework. PSDI’s support has involved modernizing and tailoring Kiribati’s consumer protection legislation and building the capacity of the Ministry of Tourism, Commerce, Industry, and Cooperatives’ Consumer Protection Unit to implement and enforce the legislation.

BACKGROUND

With a small economy and population scattered across 21 islands, Kiribati faces unique challenges ensuring consumer's rights are effectively protected.

Strengthening the institutions that support fair markets and protect consumers can benefit i-Kiribati businesses and consumers, and help ensure they enjoy better rights, more choice, and more affordable, better-quality goods and services.

Kiribati's current consumer legislation (the *Consumer Protection Act, 2001*) aims to protect consumers from unfair trade practices and unsafe products. However, the current legislation provides consumers with few rights. For example, consumers have no right to a product refund, and to obtain compensation for damages, they need to sue the trader, and the trader must be found guilty of an offence. Additionally, the act does not provide any consumer protection safeguards for Kiribati small businesses, which, due to their small scale and limited resources, have a position similar to those of consumers. Strengthening consumer protection is particularly important for women in Kiribati, who are overrepresented in informal and part-time economic activity and often more exposed to unfair trading practices.

The Consumer Protection Unit (CPU) within the Ministry of Tourism, Commerce, Industry and Cooperatives (MTCIC) is mandated to implement and enforce the Consumer Protection Act but, in practice, have limited authority to carry out this mandate.

To address these challenges, PSDI has since 2019 been working with the Government of Kiribati to modernize the consumer protection legislation and to strengthen the enforcement and implementation capacity of the CPU.



Ministry of Tourism, Commerce, Industry, and Cooperatives (MTCIC).

PSDI SUPPORT

Legislative Reform

In response to a 2019 request from the MTCIC, PSDI conducted a comprehensive review of Kiribati's existing legislation and the capacity of the MTCIC and the CPU to implement it. As part of this, PSDI conducted consultation workshops with local stakeholders and then delivered an issues paper to MTCIC.

“We had representatives from the private sector, government, NGOs, and communities invited to that workshop. It was interactive sessions where participants were given the opportunities to give their views and share consumer issues.”

Ms. Kammari Betiota,
Business Regulatory Center Director, MTCIC.

PSDI's issues paper explicitly considered the gender dimensions of consumer protection in Kiribati, recognizing that women in the Pacific are disproportionately affected by unfair or misleading conduct by traders. The paper identified the need to improve women's awareness of and access to consumer protection laws and institutions, and to ensure that investigators are aware of the particular challenges faced by women.

PSDI then worked with the MTCIC and the CPU to draft a new consumer protection bill addressing the gaps in the existing legislation that were identified in the issues paper. PSDI supported the MTCIC to undertake public consultations, and the draft bill is expected to be tabled in parliament in 2026.

“The new bill provides many new provisions that make it clear to our staff and the public what the obligations of traders are, what the offences are, and a list of penalties.”

Ms. Kammari Betiota,
Business Regulatory Center Director, MTCIC.

The new consumer protection bill will introduce additional protections for consumers, including consumer guarantees and product safety standards. It will provide the CPU with a range of new powers for conducting inspections and investigations into consumer complaints. It will also bring a wider range of remedies, including rights to replacement or refund of price, spot fines (for minor infringements) formal warnings, and remedial orders.

Capacity Building Program

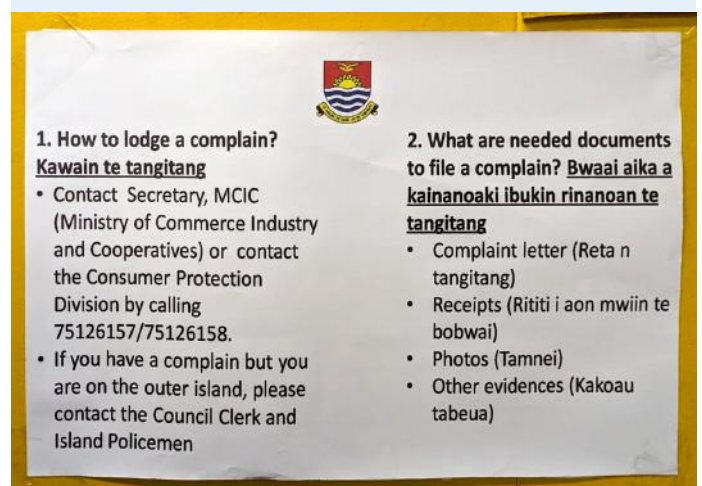
Since 2020, PSDI has also facilitated a capacity building program with staff of the CPU to address the areas for development identified in the issues paper. The program has consisted of:

- **Regular online workshops** with the PSDI team;
- A 1-week in-person **introduction to investigation skills and techniques workshop**; and
- A practical 1-week in-person workshop which covered **investigation and interview role-play exercises**, simulating practical investigations.

PSDI delivered the trainings to the five permanent staff members of the CPU, as well as to supporting agencies, including Kiribati police and external inspectors appointed in the outer islands.

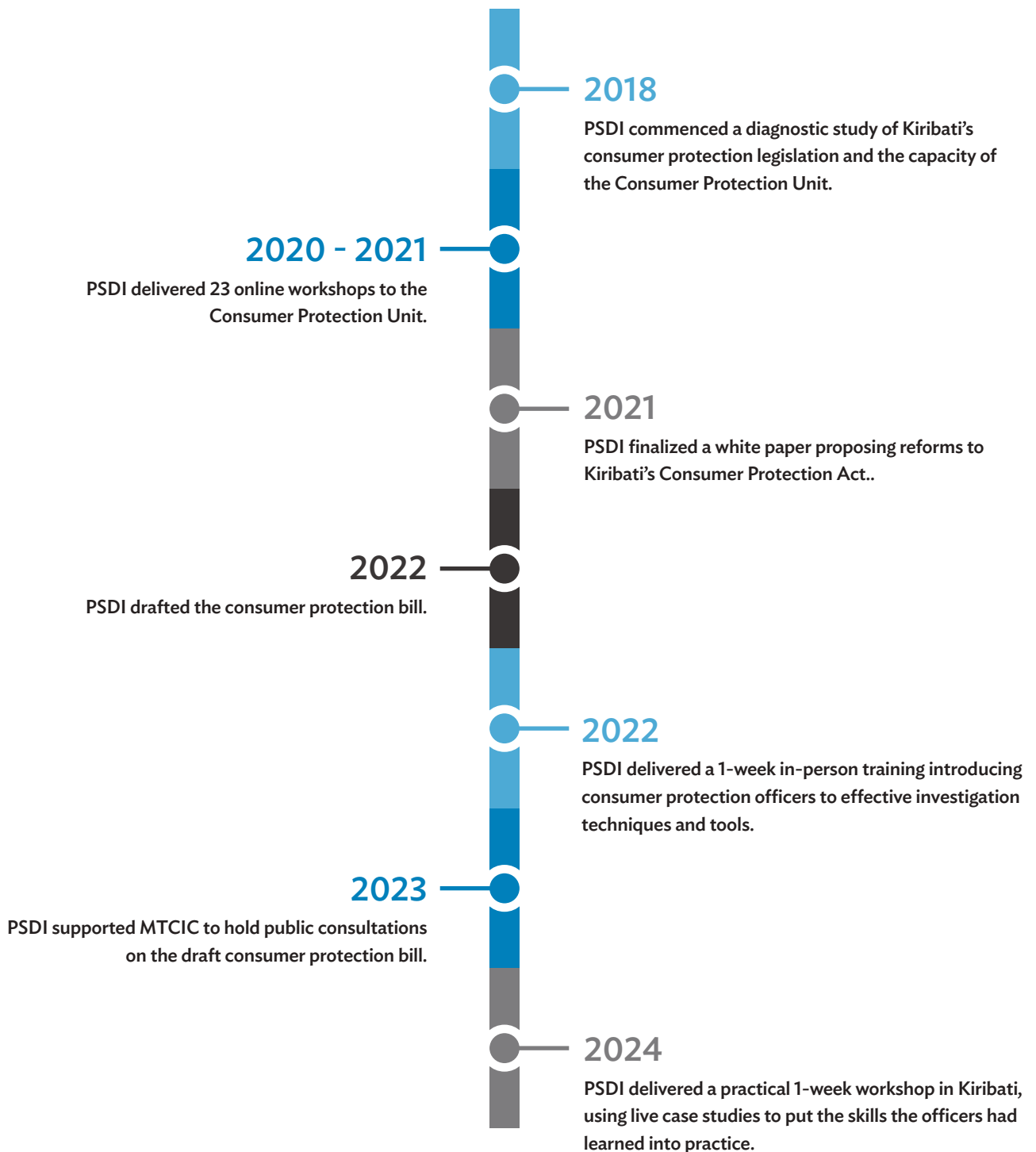
The trainings covered elements of infringements, investigation planning, use of investigative powers, interview techniques, evidence handling, report writing, and confidentiality. The trainings also introduced the impending changes once the new bill is passed.

PSDI also provides ongoing point-in-time coaching and support on handling difficult consumer complaints and is now co-designing a manual with the CPU of all course materials to be used as an easily accessible resource for the officers to refer to.



Example of complaint instructions provided by MTCIC.

TIMELINE OF PSDI SUPPORT



OUTCOMES AND RESULTS



Improved Investigation Skills

PSDI developed an evidence template that helps investigators identify and record relevant evidence, providing a step-by-step process that helps boost officers' confidence in investigating.

“Before we had the evidence template, we didn't know the first step to take [in an investigation]. The template guides us through and it's really easy for us to do our work.”

Training participant.

“We learned how to do the investigation using the evidence template and also how to conduct an effective interview.”

Training participant.

PSDI's training also improved the capacity and confidence of investigators to conduct interviews with complainants and traders.

“It was really useful for me to join the training, because before when we do an interview, I usually lead the consumer [or supplier] with close-ended questions. But during the training, we were told to ask open-ended questions and not to lead [the interviewee].”

Training participant.



Improved Evidence Handling and Record Keeping

“Before, when the complaint was lodged with us, we worked with it according to what we expected. But after the training, they gave us a step-by-step professional way to solve the complaint. We use Excel to record the complaint. Then, we follow up with the supplier.”

Training participant.

Since undertaking PSDI's training, the CPU has improved its complaints database, which tracks the status of all complaints received. This is important because well-maintained records help support the integrity of evidence, making it admissible if taken to court.

“We improved our logbook and our complaints database. We inserted more columns to obtain all required information from consumers. We now have a more organized file to use for conducting an effective investigation.”

Training participant.

The training also encouraged officers to move away from the Excel-based database. They are now working with their IT to develop a more organized and accessible system.



Kiribati road side stall.



Stronger Investigation and Enforcement Powers

“Under the consumer protection bill, we have more powers to intervene in a broader situation, like types of goods and services that we consumer protection regulators can assist with. Under the current consumer protection act, we only have minimal powers to assist consumers.”

Training participant.

“[Previously], most of the time, the police were overloaded with work and didn’t prioritize our cases so sometimes they would get lost. So, the new bill will allow us to do this ourselves instead of sending over to the police.”

Training participant.

The new bill will also remove one of the most challenging provisions of the current act, which is that a complaint must be received within 14 days of purchase for it to be investigated.

“For the current act, we only have 14 days from the purchasing to receive the complaint. For example, if a person purchases a boat, it will take more than 13 days before it leaks. Sometimes, it is very weak from our side to address those [types] of complaints.”

Training participant.

Once the new bill is passed, it will provide for increased investigation and enforcement powers for the CPU, including requesting the removal of ‘no refund’ signs and inspecting premises.



Fish for sale, Kiribati

LESSONS LEARNED



Capacity building strengthens the implementation and impact of legal reforms.

Law reforms are strengthened when the appropriate staff are well-trained to implement and enforce them. PSDI's approach of drafting the law in collaboration with the CPU, while also providing ongoing capacity building, is strengthening the CPU's knowledge of the law and their ability to implement it. Once the new bill is passed, the CPU officers will be prepared to make use of their new powers.



Close collaboration with local stakeholders generates more relevant, context-specific reforms.

Working closely with staff at the ministry and holding consultations with local stakeholders to identify issues has enabled PSDI to deliver a successful training program that aligns with the needs of the staff as well as Kiribati consumers.



Practical training improves long-term knowledge retention and confidence.


Practical workshops and real case exercises are more effective than theoretical training alone. PSDI's hands-on training, which included live case studies, improved knowledge retention and built confidence, which is enabling officers to apply the skills and legal knowledge independently in real-world situations.

CONCLUSION

By combining legal reforms with sustained and continuing capacity building, PSDI's support is strengthening consumer protection in Kiribati. PSDI's capacity building program has equipped consumer protection officers with the confidence and skills to handle complaints in accordance with relevant legal standards, enabling them to more effectively protect the rights of consumers. PSDI's work has also provided a strong foundation for the enforcement of the new consumer protection bill, which, once enacted, will bring significant benefits to both consumers and businesses in Kiribati.

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