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10 MAY 1978

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DEFENCE & OVERSEA POLICY COMMITTEE

GILBERT ISLANDS INDEPENDENCE

Memorandum by the Lord Privy Seal.

- 1. The Gilbert Islands Constitutional Conference took place under the chairmanship of Lord Goronwy-Roberts from 21 November to 7 December 1978. It was agreed that, subject to the approval of Parliament, the Gilbert Islands should become independent early in July 1979. The independence date was subsequently agreed with the Gilbert Islands Government as 12 July. Copies of the Conference Report (Command Paper 7445) are available if colleagues would like to see it.
- 2. The Gilbert Islands (population 57,000) will be a Republic under the name Kiribati (pronounced Kiribass) with a President, elected nationally, as executive Head of State and Head of Government. It will have a unicameral legislature and a Cabinet headed by the

/President ...

President. The Independence Constitution will also provide for fundamental rights and freedoms of the individual, citizenship, the Judicature, and the Public Service. It will include special provisions relating to Banaba (Ocean Island) and the Banabans. Kiribati will apply to join the Commonwealth.

- 3. The future status of Banaba was a major issue at the Conference, and citizenship caused some difficulty. A note on these aspects and on independence financial arrangements, is attached at Annex I.
- 4. The economic prospects of Kiribati after independence will depend greatly on the success of their proposed fishing industry and the early development of other revenue-earning projects, since their revenues from phosphate will cease about the end of 1979 when phosphate mining operations on Banaba will be terminated. They will need to rely for the development of these projects on aid donors. In addition to our substantial contribution, aid will be available from the European Development Fund, and both Australia and New Zealand have aid programmes in the Gilbert Islands. Japan has also indicated her interest in providing assistance.
- 5. Independence for the Gilbert Islands will entail legislation in both Houses. An independence bill was introduced in the last Parliament. The bill passed all its stages in the House of Lords but Parliament was dissolved before its Second Reading in the House of Commons. It is proposed to re-introduce the bill as quickly as possible in the present session in view of the imminence of the agreed independence day. The bill is likely to meet with a degree of cross party opposition because it provides for the retention of Banaba (Ocean Island) as part of the independent state. I think we must stick by the commitment made by the previous Government. This was in accordance with the generally accepted principle of respecting the territorial integrity of states and the wishes of the people as a whole. Any failure to enact the Bill in time for independence on 12 July would have a destabilishing effect in the Pacific and damage our relations in the area.
- 6. I invite my colleagues to confirm that independence should be granted to the Gilbert Islands on 12 July 1979 in accordance with the terms of the Conference Report and that legislation for this

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purpose should be introduced in Parliament urgently in the coming session. In anticipation of your agreement I am putting a memorandum to the meeting of the Cabinet Legislation Committee on 15 May. Unless I hear to the contrary by 14 May, I shall assume your concurrence.

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Foreign & Commonwealth Office 10 May 1979



ANNEX I

FUTURE STATUS OF BANABA, CITIZENSHIP AND FINANCIAL ARRANGEMENTS

Banaba

The Banaban representatives at the Conference maintained their demand for complete separation of Banaba from the Gilbert Islands prior to independence. This demand was totally unacceptable to the Gilbert Islands' delegation. The decision lay with Her Majesty's Government. After consulting his colleagues, the Conference Chairman, Lord Goronwy-Roberts said that the Government had not been persuaded that adequate grounds existed in this case to justify a departure from the long-established and widely accepted policy followed by successive British Governments that territorial integrity and the wishes of the people of a territory as a whole should be respected. He therefore announced that the boundaries of the Gilbert Islands would remain as at present constituted; nevertheless, the British Government wished to see that the special interests and concerns of the Banabans were safeguarded to the fullest extent reasonably possible within the sovereignty of the Gilbert Islands State. The Gilbert Islands Delegation cooperated fully in this aim. Special provisions are accordingly to be included in the Independence Constitution which will continue to safeguard the Banabans land ownership on, and freedom of access to, Banaba and preserve the right of the Council of Leaders on Rabi Island in Fiji, where the large majority of Banabans live, to nominate a member to represent them in the legislature in addition to the elected member for Banaba. These special provisions will be entrenched in the Constitution by giving their representative in the legislature the right of veto over any proposed changes to the provisions; the Constitution will also provide for the right of appeal to the Judicial Committee of the Privy Council in respect of any question as to the infringement of the provisions. A section will also be included in the Constitution stating that three years after independence an independent Commission of Enquiry shall be appointed to review the operation of the provisions in the Constitution relating to the

/Banabans.

Banabans. In addition, the Gilbert Islands Government has expressed its readiness to accord other benefits to the Banabans by legislation and administrative action, and to enter into discussions for the conclusion of a treaty with Fiji, if the Government of Fiji were willing, to assure the implementation of the Constitutional provisions and other benefits promised. The Prime Minister of Fiji subsequently made clear that his government were not prepared to be party to such a treaty and the Gilbert Islands Chief Minister has indicated his willingness to accept another Commonwealth country, including Britain, in the role. The provisions and safeguards mentioned above were negotiated at the Conference in the absence of the Banaban representatives who withdrew from the Conference immediately after the Chairman's announcement that the British Government did not agree to Banaba's separation.

Citizenship

2. The Gilbert Islands Government's proposals on citizenship were in conflict with the standard requirements of the Home Office, but. with the help of the Home Office and concessions on both sides, agreement was reached on a citizenship chapter. All persons alive at independence who are of Gilbertese descent, including those living outside the Gilbert Islands, will qualify for Kiribati citizenship either automatically or upon application; other persons born in the Gilbert Islands will acquire Kiribati citizenship on independence provided that, if they are not of Gilbertese descent, they renounce before independence any other nationality they may have (other than citizenship of the United Kingdom and Colonies). The acquisition of Kiribati citizenship does not, however, apply to persons who are to remain CUKCs after independence by virtue of their connection with the United Kingdom. The 2500 Banabans who live on Rabi Island in Fiji will thus qualify for Kiribati citizenship either automatically or upon application; many of them are already citizens of Fiji and may opt to forgo their right to Kiribati citizenship if Fiji law continues, as at present, to limit dual nationality. Irrespective of citizenship, all persons of Gilbertese descent (including the Banabans) will have the right to enter and reside in Kiribati.

Aid Provisions

3. The previous Government agreed to provide special financial assistance in the form of grants-in-aid not exceeding

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£5.3 million for the years 1980-82 and development aid of £15.5 million over 1979-82 as well as technical co-operation. The grants-in-aid take into account the fact that an interest contribution of A\$4.25 million a year from the reserve fund the Gilbert Islands have built up from phosphate revenues will be made towards the budget deficit. The position in regard to special financial assistance which may be needed after 1982 will be examined in 1982.