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**Follow-up to and implementation of the outcome of the
Mauritius Strategy for the Further Implementation of the
Programme of Action for the Sustainable Development of
Small Island Developing States**

Concrete recommendations to enhance the implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States and the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States

Report of the Secretary-General

Summary

The Barbados Programme of Action and the Mauritius Strategy were adopted to assist small island developing States to achieve sustainable development goals in line with the implementation of Agenda 21. In the years following the adoption of the two landmark documents, small island developing States have faced challenges in their implementation. These challenges reflect the structural disadvantages and special characteristics of those countries, as well as the global financial, food, energy and environmental crises that have hit them especially hard and exposed their various vulnerabilities.

The present report provides a summary of the views and recommendations received from Member States, experts and United Nations entities on how some of the key vulnerabilities faced by small island developing States could be effectively addressed.

* A/66/150.

I. Introduction

1. In its resolution 65/2 the General Assembly adopted the outcome document of the High-level Review Meeting on the Implementation of the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, which was held in New York on 24 and 25 September 2010 to undertake a five-year review of the Strategy. In the outcome document, various challenges and constraints faced by small island developing States in achieving sustainable development were acknowledged.

2. In the outcome document the Secretary-General was requested to submit a report putting forward concrete recommendations to enhance the implementation of the Barbados Programme of Action and the Mauritius Strategy, and refocus efforts towards a results-oriented approach. That mandate was the first of its kind to call for measures to address vulnerabilities of small island developing States as opposed to merely recognizing the vulnerabilities.

3. The present report was prepared jointly with several relevant United Nations entities, and reflects input received from Member States and United Nations system organizations. The report is structured around the key categories of vulnerabilities faced by small island developing States as highlighted by the High-level Review Meeting. It also contains a number of concrete but preliminary recommendations, being mindful of the longer-term need to keep addressing these issues through continuous intergovernmental and inter-agency consultation, research and technical cooperation.

4. The Barbados Programme of Action and the Mauritius Strategy outlined the many challenges facing small island developing States that limit their potential to achieve sustainable development goals. The major challenges specific to small island developing States reflect their special characteristics and their vulnerability to external shocks and natural disasters, as well as their limited capacity to adapt and be resilient to such vulnerabilities.

5. The challenges facing small island developing States include a wide spectrum of issues. Structural disadvantages, environmental vulnerabilities, and insufficient data and monitoring and evaluation mechanisms, as well as heavy migration to other countries, have all had a significant impact on their sustainable development, as has the global financial crisis on small States in general. Whereas these facts do not tell the complete story, they do begin to address the deeper challenges facing small island developing States that hinder their ability to adapt to changes and crises that are often beyond their control.

6. Following the adoption of resolution 65/2, an interactive consultative process was undertaken within the United Nations system to consider concrete strategies to enhance the implementation of the Barbados Programme of Action and the Mauritius Strategy. The present report highlights the recommendations made to address the means to overcome the constraints of small island developing States in achieving sustainable development.

II. Measures to more effectively address the vulnerabilities and development needs of small island developing States

A. Promoting climate change adaptation

7. Climate change impacts the physical characteristics of small island developing States and influences socio-economic trends in these countries, affecting their sustainable development prospects and their ability to implement the Mauritius Strategy. There is a need to scale up adaptation efforts within the context of sustainable development and enhance the capacity of the vulnerable countries to cope with, and adapt to, the adverse effects of climate change.

8. In order to implement the United Nations Framework Convention on Climate Change, parties agreed to a range of initiatives, including:

(a) The Cancun Adaptation Framework, which resulted from the negotiations on enhanced action on adaptation as part of the Bali Action Plan;

(b) The Nairobi work programme on impacts, vulnerability and adaptation to climate change, research and systematic observation under the Subsidiary Body for Scientific and Technological Advice;

(c) The national adaptation programmes of action and the Buenos Aires programme of work on adaptation and response measures under the Subsidiary Body for Implementation.

9. These initiatives reinforce each other and build on the need for partnership and cooperation to address critical issues related to climate change. Vulnerability to climate change can become catastrophic for small island developing States, and the upcoming Conference of the Parties should be viewed as the opportunity for Member States to implement the agreements adopted in previous sessions, in particular the Cancun Adaptation Framework. This initiative would go a long way towards assisting small island developing States.

10. The objective of the Cancun Adaptation Framework is to enhance action on adaptation, including through international cooperation and coherent consideration of matters relating to adaptation under the Convention. Ultimately, the aim of enhanced action on adaptation is to reduce vulnerability and build resilience in the most vulnerable developing countries.

Security implications of climate change

11. Though relatively new, the concept of the security implications of climate change is an important aspect of the threat of climate change. There are environmental, socio-economic, political and legal dimensions to climate change and all have a potential impact on small island developing States.

12. On 20 July 2011, the Security Council discussed climate change and its possible security implications. The possibility of the existence of environmental refugees in the future was underscored, as was the need for climate finance. It was also felt that a significant challenge with respect to climate change was the inability to predict the magnitude of its acceleration and thus to adapt to its unknown impacts.

13. The discussions at the United Nations have helped to highlight the severity of the issue for small island developing States, particularly when considering the destabilizing effect that sea-level rise, food insecurity, soil erosion, drought and environment-related migration have on countries with limited resources, limited space and sustainable development constraints. Addressing the potential security dimension of climate change on small island developing States is a proactive, preventative approach that will go a long way towards preserving the very existence of these countries.

14. Member States and the international community must prepare for the very real possibility of a security threat due to climate change. Further scientific research and preventative measures, as well as the development of a legal framework to protect persons destabilized by climate change, are necessary to help to offset any socio-economic and political crises that may occur if this potential threat were to become a reality.

15. Within the international arena, collection of data, trends analysis and other related studies will need to be carried out by all relevant agencies to examine the impact thus far and project potential occurrences. This should be pursued within the realm of food security, migration, and possible conflict over scarce resources, along with climate change and sustainable development.

B. Strengthening disaster risk management capabilities in small island developing States

16. The natural hazards that often affect small island developing States include hurricanes, volcanoes, earthquakes, tsunamis, tropical cyclones, drought and heavy rains. Most of the countries are also threatened by sea-level rise. In the last decade, small island developing States have suffered great loss of life and livelihood from natural disasters. The impact of such events on livelihoods can be quite devastating; in the worst cases, the economic impact has exceeded 100 per cent of gross domestic product. Even if the impact of an event is smaller, the repeated effect of many events over time erodes development.

17. With few exceptions, small island developing States are geographically vulnerable. Since most of their population and vital civil infrastructure pertaining to health and transportation are located near the coast or on flood plains, they are particularly exposed to natural hazards. Furthermore, their small size limits the options that island populations have in terms of avoidance of hazards through relocation.

18. Moreover, a significant proportion of the population of small island developing States is vulnerable to natural hazards because of poverty or because the country they live in has a small economy or overwhelmed governance mechanism. Frequently, the main economic activities are carried out in the coastal zone and are thus exposed to a variety of hazards. Small island developing States are also vulnerable to anthropogenic hazards. Their shift from agriculture-based to tourism-based economies has resulted in more passenger and cargo traffic, raising the risk of oil and chemical spills. About 25 per cent of world oil tanker traffic passes through the Caribbean, for example.

19. Although the Governments of small island developing States have become more involved in disaster management activities, the development of measures to reduce disaster risk is hindered by low employment, high levels of indebtedness, loss of preferred markets and a dearth of economic activities beyond tourism. Once a disaster occurs, funds earmarked for development activities are often diverted to immediate humanitarian relief, cleanup and rebuilding.

20. Despite frequently occurring hazards and the vulnerability of small island developing States, it is possible to reduce disaster risk. While it is not possible to reduce the occurrence of meteorological hazards, their ill effects can be reduced by reducing exposure or vulnerability and building resilience. For non-anthropogenic hazards, risk management is achieved by focusing on lessening exposure and vulnerability. This may, in practical terms, mean that physical planners need to be aware of flood plains or the extent to which a storm surge may inundate the coast and that architects and builders may need to build houses on stilts or pitch roofs more steeply. Cuba has demonstrated proactive physical planning in adapting to environmental hazards, which allows it to lessen the impact to an extent.

21. Several key institutions have been established in small island developing States to address the challenges of natural disasters. Examples of these include the Caribbean Catastrophic Risk Insurance Facility (CCRIF), the Caribbean Disaster Emergency Management Agency and the Disaster Reduction Programme of the Secretariat of the Pacific Community. There is a need however, for more studies specific to the impact of disasters on small island developing States. Much data on hazards does not detail causes or long-term impacts.

22. Private insurance coverage of homes and businesses in small island developing States is low. In many cases Governments do not insure their buildings; nor do they routinely make other provisions for likely disaster-related losses. Even if facilities similar to CCRIF are established, Governments will need to develop contingency and continuity plans for small and medium-sized events.

23. Measures to improve physical planning and building techniques show the most promise in terms of reducing risk in a cost-effective manner. Such measures would be especially helpful against wind and floods. Storm surges, debris flow, earthquakes and volcanoes may require other strategies such as relocation and/or evacuation plans. Some events may not have solutions beyond evacuation. For risks that are manageable, buildings should be placed and designed accordingly. Coastal planning becomes a necessary activity and strict building zones should be enforced. Additionally, each country should establish or strengthen its disaster management plan.

C. Biodiversity

24. Biodiversity is a critical component of sustainable development that is of particular significance to small island developing States. It contributes to food security, human health and the availability of clean air and water; it also contributes to local livelihoods and economic development and is essential for the achievement of the Millennium Development Goals, including poverty reduction, as indicated in the Strategic Plan for Biodiversity 2011-2020 and its Aichi Biodiversity Targets. In small island developing States, biodiversity is threatened, among other things, by adverse effects of the introduction of invasive alien species, habitat fragmentation

and climate change. Ultimately, the causes of biodiversity erosion and loss lay in urbanization, inadequate utilization of science and technology and cultural factors.

25. The findings of scientific programmes and activities focusing on biodiversity and ecosystem services must be brought to the attention of policymakers, including possible policy responses. There is also a need to educate the public at large and promote stakeholder dialogue in support of sustainable sectoral planning that is compatible with the conservation and sustainable and equitable use of biodiversity.

26. The Conference of the Parties to the Convention on Biological Diversity, at its ninth meeting, have identified six priority elements in the implementation of the programme of work on island biodiversity (decision IX/21, para. 6). Though not specific to small island developing States, these priority elements would be useful to them:

- (a) Management and eradication of invasive alien species;
- (b) Climate-change adaptation and mitigation activities;
- (c) Establishment and management of marine protected areas;
- (d) Capacity-building;
- (e) Access to and fair and equitable sharing of the benefits arising out of the utilization of genetic resources;
- (f) Poverty alleviation.

27. In the same decision, the Conference of the Parties recognized the Global Island Partnership as one of the mechanisms to implement the island biodiversity programme of work.

28. Invasive alien species continue to be a major threat to all types of ecosystems and species, with particularly devastating effects on island communities and livelihoods. Strategies should be developed to strengthen and mobilize capacity on islands to address this threat.

29. The global SIDS-focused climate change education and coastal monitoring programme, Sandwatch, is currently active in more than 50 countries, including over 25 small island developing States. Sandwatch is a practical, hands-on process through which students record and measure detailed information about their local coastal environment, analyse and share their findings with others, and take action to ensure the sustainable management of local coastal resources.

30. Sandwatch, which was founded over a decade ago, today represents a well-established network of coastal monitoring teams, some with data on the coastal environments of small island developing States going back over 10 years. At the present time, a global Sandwatch database is under development that will allow Sandwatch practitioners to upload data in order to share and further analyse their findings. The Sandwatch database is expected to form a citizen-driven record of changes in coastal morphology, biodiversity, use and access, development and more.

31. A healthy environment is essential to livelihoods and food security. In this connection, the establishment of marine protected areas is particularly important. For example, the Coral Triangle Initiative, Caribbean Challenge, Micronesia Challenge, Western Indian Ocean Partnership and Phoenix Islands Protected Area represent regional and subregional approaches that unite a geographic cluster of

like-minded and ecologically connected island States. Many of them owe their establishment, to some degree, to the island biodiversity programme of work.

32. The World Network of Biosphere Reserves of the UNESCO Man and Biosphere Programme has in recent years seen the addition of several new coastal and marine biosphere reserves in small island developing States, including three new sites in the Micronesian subregion alone. These sites are linked with other existing and prospective coastal biosphere reserves through networks such as the Pacific Man and the Biosphere Network. Those networks, in turn, have cooperated actively with neighbouring sister networks, such as the Southeast Asian Biosphere Reserve Network, resulting in increased mutual exchange and South-South bilateral capacity-development activities.

33. Instruments such as the Convention concerning the Protection of the World Cultural and Natural Heritage adopted by the General Conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO) at its seventeenth session, on 16 November 1972, and its dedicated small island developing States and marine programmes, as well as several subregional research and management cooperation networks with a focus on small island developing States under the Man and the Biosphere programme, can directly support the design and implementation of national biodiversity strategies and action plans.

34. Local action has also been important in these contexts. In various coastal and island regions, the use of community-based protected areas, in which local and indigenous peoples play a lead role in managing and conserving marine resources, is becoming increasingly widespread and has shown promising results.

Benefit-sharing

35. With their high level of endemism, islands are repositories of genetic information with an inherent value to humankind the world over. Island Governments have recognized access and benefit-sharing as priorities, and some Governments of small island developing States have made efforts to protect their genetic resources or to ensure that benefits from their use are shared locally. The recently adopted Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to the Convention on Biodiversity will create greater legal certainty and transparency for island providers of genetic resources.

36. In view of the increasing role and importance of biodiversity and associated ecosystem services in development planning, regional cooperation and sustainable development strategies, small island developing States can benefit, within the larger framework of the Mauritius Strategy, from a number of initiatives, including:

(a) Promoting biodiversity-friendly economies and policy tools, such as payment for ecosystem services, to meet both development and biodiversity targets; there is a benefit to be gained by incorporating biodiversity in the promotion of green economy in the process of preparation for the United Nations Conference on Sustainable Development to be held in Rio de Janeiro in 2012 (Rio+20), as well as its blue aspects in relation to marine and coastal ecosystems;

(b) In-depth review of the programme of work on island biodiversity (to be addressed at the sixteenth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice of the Conference of the Parties to the Convention on

Biological Diversity, to be held in May 2012 in Montreal, Canada, as well as at the eleventh meeting of the Conference of the Parties, to be held in October 2012 in Hyderabad, India. This review is an excellent opportunity for island countries and countries with islands to focus the attention of the eleventh meeting of the Conference of the Parties on island biodiversity.

D. Addressing energy challenges

37. The almost total dependence of small island developing States on imported petroleum for their commercial energy needs continues to cause severe imbalances in trade, and the rising costs of petroleum imports have put a serious drain on limited national financial resources. Prices of petroleum products in small island developing States are among the highest in the world. This increase and those projected for the future will exert significant pressure on the economies of small island developing States.

38. The energy sector is the most critical sector for the vast majority of small island developing States and represents one of the major areas of economic vulnerability. Sustainable development of small island States is not possible without a highly integrated energy sector that is not dependent on external sources and that maintains synergistic linkages with the waste management, water supply, agriculture, tourism, transportation and employment sectors.

39. The largest single common renewable energy resource for all small island developing States is ocean energy in its various forms. However, the technology for utilizing this source of energy is still in development and thus expensive.

40. The development of renewable energy resources has been limited by the availability of appropriate technology and technical capacity, poor institutional mechanisms and the challenges of developing systems for small remote markets at reasonable cost. The renewable energy technologies available to small island developing States include hydropower and wind and solar power. Potential areas that may one day be pursued include ocean energy systems; waste-to-energy technologies; biomass algae (blue-green); solar water heaters; solar and seawater cooling systems; low carbon footprint buildings; ultra-low water consumption, sanitation and wastewater recycling systems; and electric transportation.

41. New technologies are available, but in different stages of development. However, the small island developing States lack the technical and market research expertise required to negotiate technology transfer, commercialization and the dissemination of innovative technologies and applications that contribute to a low carbon economy.

42. Since 1992, small island developing States have invested billions in their energy sector, very little of which has gone into renewable energy, energy efficiency and conservation. In order for the countries to generate the financial resources needed to transform the energy sector, several options are available, including:

(a) Exploring the establishment of a special facility within the Climate Technology Centre, which is under development as part of the United Nations Framework Convention on Climate Change process, with special funding to support small island developing States in the assessment and identification of appropriate renewable energy technologies;

(b) Exploring seed funding to establish a sustainable energy development revolving fund that would be capitalized from various sources including the populations of small island developing States and the diaspora;

(c) Studying the feasibility of establishing national and regional energy bonds and energy funds to support energy efficiency and energy conservation investments in areas which are increasingly showing very profitable returns on investment and significant national economic benefits;

(d) Establishing and seeking international support for a technological expertise-sharing mechanism that would utilize unique expertise and generate additional financial benefits for the professionals involved. Such a mechanism could be implemented jointly through relevant United Nations specialized agencies or regional organizations with the required expertise and facilitated through the Small Island Developing States Network (SIDSNet) online platform.

43. Energy policies could be followed up by subsector policies to promote the development of appropriate types of renewable energy resources, energy efficiency initiatives and conservation policies. Policymaking should be recognized as a process rather than an event. There is need for greater policy coherence to ensure synergy between sectors that have significant impact and influence on the energy sector and socio-economic development.

44. In addition to financing, partnership initiatives to address the energy challenges can be useful. The objective is to consider different options which can be beneficial. The small island developing States Sustainable Energy Initiative (SIDS DOCK) is an example of a partnership that aims to effectively address the energy challenges of small island developing States. Additionally, the facilitation of new partnerships and the profiling of successful partnerships in small island developing States is one of the primary objectives of SIDSNet, which aims to provide a web-based platform for sharing experiences and expertise and establishing connections.

E. Addressing the economic structural disadvantages of small island developing States

45. Many small island developing States are vulnerable to trade-related shocks beyond domestic control not only because they may have experienced measurable shocks, such as a decrease in official development assistance and remittances, a contraction in industries with ties to external markets and an increase in unemployment, but also because of their small size and/or remoteness and limited opportunities for economic specialization. Such vulnerability is typical for economies that are highly dependent on one or a few exports, and where the products imported are highly susceptible to shocks.

46. One intermediate objective in support of the ultimate goal of building economic resilience has been recognized by organizations, programmes and entities of the United Nations system as deserving special attention, namely the need to reduce structural disadvantages, with particular reference to the handicaps resulting from smallness and remoteness, which have implications in terms of institutional capacities and economic efficiency. This intermediate objective points to areas to more effectively address the unique and particular vulnerabilities and development

needs of small island developing States, as contemplated by the General Assembly in its resolution 65/2.

47. For small island developing States, the following three areas of action to reduce structural disadvantages are particularly important:

(a) Development of the physical infrastructure, notably in the field of transport, with a view to mitigating the adverse impact of remoteness or smallness;

(b) Development of the human resource base of the economy to allow the knowledge component of productive capacities to develop in pace with that of growing competitors in the global economy. This would improve capacities of small island developing States to innovate and add value to products and exports in relevant global value chains;

(c) Building or strengthening institutional capacities to create the most favourable environment for structural progress. This area of action and that in paragraph 47 (b) are mutually supportive.

48. Each small island developing State, will need to determine its own optimum specialization mix. The small island developing States have a range of unique positive characteristics, including environmental beauty, cultural uniqueness and wealth, and exoticism associated with smallness (smallness can be an asset, as well as a liability). In addition, the wide prevalence of political stability and good governance among small island developing States is one of the strengths to be taken into account in the quest for an optimum specialization mix.

49. A sound economy will not immunize a small island developing State against natural disasters or economic shocks beyond its control, but may, by widening the productive base, result in greater economic resilience.

50. Service industries largely dominate the economies of small island developing States, with tourism standing out as the first source of export earnings in many of the countries; in 2009, the average share of service exports of total exports was 67 per cent in the 26 small island developing States for which relevant data are available.¹ International services other than tourism have risen significantly in the economic structure of most small island developing States. Financial and other business-related services are becoming promising areas of specialization for some States (e.g. Samoa, Seychelles, St. Kitts and Nevis and Vanuatu) and are established economic pillars in others (e.g. Bahamas, Barbados and Mauritius).

51. The growth of the service sector can serve as a catalyst to economic growth and development in general so that diversification becomes possible and, with it, opportunities for investing in and producing a wider range of products. Even with their often intrinsic disadvantages, small island developing States demonstrate potential for achieving economic growth and progress. In order to develop effective economic growth strategies, barriers and structural impediments must be overcome. As noted in paragraph 47 above, three areas of action are important in this respect:

¹ Data is available from the International Monetary Fund and the United Nations Conference on Trade and Development on Antigua and Barbuda, the Bahamas, Barbados, Cape Verde, the Comoros, Dominica, Fiji, Grenada, Jamaica, Kiribati, Maldives, Marshall Islands, Micronesia (Federated States of), Mauritius, Nauru, Papua New Guinea, Samoa, Sao Tome and Principe, Seychelles, Solomon Islands, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Tonga, Trinidad and Tobago and Vanuatu.

development of the physical infrastructure, development of the human resource base and strengthening institutional capacities.

F. Addressing food security

52. Food security continues to be one of the major concerns of small island developing States. In order to overcome the threat of food insecurity, risk management capabilities must be strengthened. Food security and protection of biodiversity have been addressed through a regional project on promoting CARICOM/CARIFORUM regional food security, with various national technical cooperation programmes in support of the project.

53. Small island developing States rely directly or indirectly on agriculture, forestry and fisheries for 80 per cent of their livelihoods. Traditional agriculture and food systems can provide resilience against external economic and natural shocks. High food and oil prices have led to a renewed emphasis on domestic production and food self-sufficiency. Small island developing States also depend on healthy oceans and marine conservation, making equitable sharing of the benefits of ocean resources of paramount importance.

54. Forests and trees have huge environmental, cultural and economic significance. Forests continue to provide significant wood products, but the value of the forests to the environment is increasingly being recognized.

55. There is considerable potential for aquaculture for domestic food production and for export trade in marine products, including pearls, shrimp, cultured corals and seaweed. Coastal fisheries resources, targeted by commercial and subsistence fishing, are now generally over-fished and subject to increasing pressure from growing populations.

56. Over-fishing is one of the contributors to the erosion of biodiversity. The loss of biodiversity undermines food, water and nutrition security, and is likely to produce higher levels of poverty. It will also increase dependency on food imports and impact the prospects for economic growth in the long term.

57. The transition to a green economy places a value on biodiversity capital and ecosystem goods and services, particularly food, and can become an important source of sustenance and income. Investment in a green economy thus will contribute to improving the capacity of small island developing States to produce their own food and limit their reliance on imports and vulnerability to food crises.

G. Promoting sustainable tourism

58. For most small island developing States, tourism is the main economic activity in terms of income generation, creation of employment, and foreign exchange earnings. However, owing to their small size, small island developing States are quite vulnerable to the negative environmental and social impacts that tourism can sometimes have. In addition, tourism is considered to be a highly climate-sensitive economic sector. The impact of climate change on the tourism sector is expected to intensify steadily. Small island developing States may be particularly affected, as the rising temperature of oceans has already caused coral bleaching, among other effects.

59. Tourism also relies heavily on the natural capital of intact and functioning ecosystems, not only to attract tourists but also to meet their desire for local food, activities and experiences. The tourism sector can also be a driver that demands more sustainable management and use of resources from the many production and service sectors that supply its needs.

60. It is therefore essential to plan, manage and monitor tourism development, with a view to ensuring its sustainability. It is also necessary to actively support the integration of climate change adaptation criteria into national tourism planning processes.

61. Small island developing States are very vulnerable to climate change impacts and have low adaptive capacity; they should therefore be given particular attention. Initiatives such as the CARIBSAVE Partnership and the proposed Pacific Green Growth Roadmap have shown some potential. Such initiatives are necessary in other regions in order to pursue the relevant strategies to achieve sustainable tourism.

62. Some small island developing States have explored creative proactive ways of promoting tourism, such as specialized tourism — for example, medical tourism in Cuba and Mauritius, spa tourism which is expanding in many countries, eco-tourism promoting bird watching, and cultural tourism. These strategies are useful in diversifying the tourism product while also contributing to the preservation of the environment. They also add to the local economies by being both supply and demand factors in a country's gross domestic product. Additional financing and increased partnerships with the public and private sectors to enhance sustainable tourism will enable countries to maintain their competitiveness in a market that has diminished following the international crises of recent years.

H. Achieving debt sustainability

63. High and increasing debt burden in some small island developing States has been a persistent and unresolved problem for some time. There is evidence that debt stocks have significantly worsened since the global economic and financial crisis began. Structural constraints, such as a large exposure to external shocks, a small population base, a limited export base and a public sector that serves as an important source of income and employment for many families, mean that strategies to deal with the debt burden have enjoyed limited success. Several small island developing States are heavily dependent on official development assistance. However, official development assistance has been heavily skewed towards just a few countries, and low levels of aid to other small island developing States have exacerbated a dependence on more volatile and expensive market-based forms of external financing.

64. In contrast to many other developing countries, most small island developing States have not benefited from international debt relief measures such as the Heavily Indebted Poor Countries Initiative or the Multilateral Debt Relief Initiative. Debt relief, where extended, has helped to reduce the debt burden considerably in beneficiary countries. The high (and rising) public debt burden in many small island developing States has remained largely unaddressed thus far by the international policy community. This problem is exacerbated by low levels of economic growth in many small island developing States, which are recovering from the global financial

and economic crisis more slowly than the rest of the world, as measured by forecasts of economic growth over the next few years.

65. Several small island developing States benefit from concessional finance from the major multilateral lenders under the “small island exception”, in recognition of the particular development challenges such countries face. For several countries, the multilateral financial institutions remain the major lending partner. Nevertheless, some small island countries do not benefit from this exception. There is evidence to suggest that concessional debt as a proportion of total public debt has declined considerably in many small island developing States over the last decade. This has been substituted with private external and/or domestic debt, which is frequently more expensive.

66. Heavy domestic borrowing by the State can crowd out credit available to the private sector, which in turn can stifle private sector development and economic growth. It can also be more difficult to restructure because a sovereign default on domestic debt can often be followed by a domestic banking crisis. In view of small island developing States’ numerous structural vulnerabilities to external shocks, the suitability of market-based finance to support their economic development can be questioned.

67. The Governments of small island developing States can take steps to improve debt management capacities and to reduce inefficiency and waste in public expenditure. Debt relief may also be required by some small island developing States. This must be combined with an end to the reverse in aid flows to many small island developing States. The criteria for access to concessional resources from the major multilateral financial institutions should be revised to take into consideration structural constraints to development, as faced by many of the countries. Finally, innovative financing mechanisms such as counter-cyclical loan instruments and debt swaps may be desirable for many small island developing States given their vulnerability to external shocks.

I. Recommendations from Member States, United Nations entities and intergovernmental organizations

68. In compliance with resolution 65/2, the Secretary-General wrote to Member States, United Nations entities and intergovernmental organizations² for recommendations on enhancing the implementation of the Mauritius Strategy.

² Replies were received from the Alliance of Small Island States, the European Union, Cuba, Finland, Malta and the United States of America. Replies were also received from the secretariat of the Convention on Biological Diversity, the Economic Commission for Latin America and the Caribbean, the Food and Agriculture Organization of the United Nations, the United Nations country team for Mauritius and Seychelles, the United Nations Conference on Trade and Development, the United Nations Development Programme, the United Nations Educational, Scientific and Cultural Organization, the secretariat of the United Nations Framework Convention on Climate Change, the United Nations Children’s Fund, the United Nations International Strategy for Disaster Reduction, the United Nations Research Institute for Social Development, the International Fund for Agricultural Development, the International Telecommunication Union, the World Tourism Organization, the CARICOM secretariat, the Commonwealth Secretariat, the Small States Forum, the secretariat of the Pacific Regional Environment Programme, the World Bank and the World Trade Organization.

1. Member States

69. Responses from Member States underscored the significance that the issue held for them. Questionnaires on the implementation of the Mauritius Strategy were also circulated for Member States to complete.

70. Some countries saw the need for greater consultation and communication between the United Nations system and small island developing States, and suggested that there was a need to develop and implement a formal and holistic coordination mechanism. This recommendation was also echoed by the regional organizations.

71. There was also a recommendation for a comprehensive review of financial support mechanisms available to small island developing States, including the means of access, as well as a recommendation that data should be developed to show the commonalities and variations among the countries.

72. The need to strengthen those United Nations agencies with specific responsibilities with respect to small island developing States and to increase the resources available to the organizations dealing with small island developing States issues was also cited by many of the Member States responding to the questionnaire. Many also called for improvements in the collection and analysis of data to better assess the state of the sustainable development of small island developing States and their vulnerabilities and better evaluate lessons learned in the implementation of the Barbados Programme of Action and the Mauritius Strategy. There was also a call for the establishment of a concise standard set of common risk-related indicators, and the idea of national ownership of the development process was stressed.

73. The development of renewable energy resources in small island developing States and the establishment of systems resilient to natural disasters and external shocks were recommended, as well as the promotion of sustainable marine fisheries and greater support for the Cartagena Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region among the small island developing States. With respect to climate change, it was felt that bilateral and multilateral adaptation assistance to small island developing States needed to be expanded. There was also a recommendation for the implementation of national adaptation strategies and for more cooperation with the United Nations Framework Convention on Climate Change framework.

74. The need to strengthen and upgrade the Small Island Developing States Unit in the Department of Economic and Social Affairs of the United Nations Secretariat was reiterated by several Member States, which highlighted the importance of the ongoing work to revitalize SIDSNet and the need to develop effective ways to quantitatively profile the vulnerabilities and resilience of small island developing States. Member States also recommended improved and expanded scientific research, as well as technology development and transfer to assist the countries and the promotion of South-South cooperation.

75. Greater political commitment to the education system, including an increase in resources devoted to education, were highlighted as critical elements in an overall strategy for achieving sustainable development goals.

2. United Nations entities and intergovernmental organizations

76. Recommendations from United Nations entities and intergovernmental organizations providing input to the present report were complementary and often focused on very similar solutions, suggesting that there is a genuine common understanding of the challenges and that broad consensus exists on some of the strategies and actions to be employed in order to assist small island developing States in their implementation of the Mauritius Strategy. Responses also supported recommendations by Member States regarding issues such as financing mechanisms, including setting up a review of the system for determining overseas development assistance; debt relief; a need for more United Nations attention to the needs of small island developing States and the establishment of a better system of focal points within the United Nations system; increased data collection and strengthened databases; resource mobilization and building of national capacity; and more emphasis on addressing the impact of climate change on small island developing States and the development of climate resilience programmes.

77. In addition to building capacity, some of the regional organizations of small island developing States saw the need to strengthen the countries' self-reliance by employing best practices for their own development.

78. There were also calls to establish and strengthen the coordinating mechanisms for small island developing States and a recommendation for enhanced national sustainable development strategies or their equivalents.

III. Strengthening collection and dissemination of data on the sustainable development of small island developing States

A. Data shortcomings and impeding factors

79. The official statistics in most small island developing States are insufficient and the available data are frequently of low quality. Shortcomings include limited coverage, insufficient compliance with the internationally accepted statistical standards, poor policy relevance, inadequate level of disaggregation and lack of timeliness. The affected areas range from macroeconomic statistics to detailed basic statistics on the structure of the economies of small island developing States, international trade, the environment, energy, social development and tourism. It should be noted that the gravity of the problem is not the same across the group, as some of the countries do significantly better than others.

80. Macroeconomic statistics continue to be a challenge. Only a minority of small island developing States are able to provide the minimum data set on national accounts, and the data is often not sufficiently current. Detailed data on international merchandise trade is not reported to the United Nations Commodity Trade Statistics Database (COMTRADE). Substantial data on environment and energy statistics is available only for a handful of small island developing States, and data gaps are numerous.

81. Most small island developing States lack functional quality assessment frameworks. Dissatisfaction with data availability and quality were expressed by Government bodies and other users. In fact, identifying useful information can be challenging. Some of the available information may be too general, superficial

and/or not adapted to the reality of small island developing States. Urgent action is required in this respect, as such data are particularly relevant for the assessment of vulnerabilities.

82. The data gaps and quality issues are the direct result of an inadequate statistical capacity. Inadequate capacity and frequent overcommitment owing to ever-growing internal and external demands for data lead to process bottlenecks and overload at national statistical offices and other parts of the national statistical system. In most small island developing States, national statistical offices do not have spare capacity to compile more statistical series or significantly improve the quality of the currently disseminated data. To add more work without making significant progress in capacity-building would surely put more strain and burden on the overworked national statistics officers and other members of national statistical systems, potentially further compromising the quality of statistics.

83. The factors hampering statistical development in small island developing States are numerous, entrenched and interrelated. They can be broadly grouped in the following categories:

(a) Lack of sustained support from higher levels of government. While the majority of Governments of small island developing States recognize the importance of evidence-based decision-making and the political commitment to improve the situation is generally expressed, improvements are often not implemented or implemented only on an ad hoc basis;

(b) Ineffective management of the national statistical system. The national statistical systems of many small island developing States suffer from poor management. Too often, activities of national statistical offices and statistical units of line ministries and other governmental agencies are not seen as integral parts of a unified national statistical system and are not managed as such;

(c) Inadequate legal framework. Many of the countries do not have statistical laws, and statistical laws are outdated in some. Statisticians do not have sufficient legal rights to access various administrative sources of data and to ensure the use of international statistical standards by other governmental bodies. The failure to put existing administrative sources to effective statistical use is one of the most significant causes of the high demand placed on populations and businesses to participate in statistical surveys;

(d) Weak statistical infrastructure. Only a small number of small island developing States have such basic elements of statistical infrastructure as business registers and harmonized systems of statistical censuses and surveys;

(e) Inadequate human resources. The lack of sufficient human resources is one of the top constraints. Practically all recent studies of the situation in small island developing States conclude that the main constraint faced by national statistics offices is the lack of qualified, skilled and competent staff;

(f) Absence of sound strategic planning. Inadequate management and weak statistical infrastructure in general are too frequently exacerbated by the lack of sound strategic planning;

(g) Lack of a modern, integrated system of data processing, database management and quality assurance. While data-processing equipment is generally available, most small island developing States do not have a modern, integrated

system for data and metadata collection, data entry, data-processing, quality control, storing, analysis and dissemination.

84. Over recent years, national statistical offices and other suppliers of national statistics, in cooperation with regional and international agencies, have undertaken efforts to improve the adequacy of the statistical data of small island developing States, which has yielded some positive results. However, there is much more work to be done to ensure that the emerging progress advances. It should be noted from the outset that the focus must be on strengthening national statistical systems, while efforts at the regional and global levels should play important, but supporting roles.

85. The shortcomings of the institutions for data collection and analysis in small island developing States could be addressed further by radically improving the functioning of the national statistical system, as a way to translate the expressed political commitment for evidence-based policy into concrete action. If it has not been done recently or properly, the appropriate bodies at the higher levels of government in small island developing States should initiate a review of the national statistical system aimed at modernization. The necessary support should be provided to national statistical offices and other relevant governmental agencies in the preparation of relevant action plans. It should be underscored that successful generation and dissemination of high quality disaggregated statistics can be achieved only if this task is seen as the collective responsibility of all members of the national statistical system, and not simply the responsibility of a statistical office alone.

86. The modernization of national statistical systems is an indispensable and integral input to the process of developing and implementing sustainable national development strategies. Ensuring close cooperation of all relevant governmental agencies has the potential to enhance data collection in the small island developing States, as does promoting a national partnership for statistics. The establishment and maintenance of strong national partnerships for statistics is essential for a better alignment of donor support and for the increased mobilization of resources at the country level for statistical development activities. All stakeholders, both governmental and private, should be consulted, for example, by setting up (or reactivating) advisory committees of users within and outside government.

87. The prioritization of data series and definition of the core set of data is another strategy that could prove successful. In view of persistent resource constraints, it is good practice to prioritize data series and define the core set of data intended for regular compilation and dissemination. A core set of statistics should be selected by application of such criteria as policy relevance, including the relevance for assessment and monitoring of vulnerability, measurability, methodological soundness and frequency of use. In the context of vulnerability assessment, the importance of data timeliness should be emphasized.

88. The samples needed for reliable survey estimates are disproportionately large in most small island developing States, especially in the smallest ones; hence more importance should be placed on administrative sources to minimize the need to collect survey data from both households and businesses.

89. Continued support at the global level is vital for the statistical development of small island developing States, as national and regional statistical systems remain weak. This support should include the following actions:

(a) Further enhancement of the role of the Department of Economic and Social Affairs in coordinating statistical capacity-building, including more active engagement of the United Nations Statistical Commission, which is the highest decision-making body for international statistical activities, including for activities relevant to the countries, and the Statistics Division, which supports the Commission in the implementation of its decisions;

(b) Closer collaboration between the Statistics Division and the United Nations regional commissions and their national counterparts to build the statistical capacities of small island developing States;

(c) Strengthening of statistical activities oriented towards small island developing States of the United Nations specialized agencies, funds and programmes;

(d) Ensuring that countries' statistical needs are better reflected in capacity-building activities of the Partnership in Statistics for Development in the 21st Century (PARIS21) and other global players.

B. Role of the Small Island Developing States Network in data analysis and dissemination

90. SIDSNet performs an important role in the data analysis of small island developing States. It contributes to filling the gaps in data availability by collating national data and statistical information towards assessment of vulnerability-resilience country profiles. It also focuses on strengthening research and data management by serving as a portal for national and regional statistics. One of the primary objectives of SIDSNet is to make the information provided by national and regional statisticians available and accessible to all stakeholders.

91. With the strengthening of data collection analysis and dissemination capabilities in small island developing States, national and regional information would feed into SIDSNet and allow for the small island developing States and their partners to ascertain the gaps and needs in implementing the Barbados Programme of Action and the Mauritius Strategy. The ongoing revitalization of SIDSNet, therefore, will go a long way towards enhancing strategies of implementation.

C. Analysis and dissemination of data: analytical framework for assessing vulnerability-resilience country profiles

92. The outcome document of the High-level Review Meeting on the implementation of the Mauritius Strategy (General Assembly resolution 65/2) not only called for strengthening national disaggregated data and information systems, but also for strengthening analytical capabilities for decision-making, tracking progress and the development of vulnerability-resilience country profiles. It became clear during the preparatory process for the High-level Review, that there was no analytical framework with effective indicators or criteria to comprehensively assess progress in addressing the vulnerabilities of small island developing States through implementation of the Mauritius Strategy. The key issue is not only the availability of reliable data and information; it is also the need for analytical frameworks and capacities to answer for the purpose of the data and information.

93. The Small Island Developing States Unit of the Department of Economic and Social Affairs commissioned a study on vulnerability-resilience assessment profiling of small island developing States and to develop an analytical framework to assess the vulnerabilities of small island developing States, building on the vast wealth of work already carried out on vulnerability indices and assessment methodologies for small island developing States. While the concept of a vulnerability index is well rooted in the Barbados Programme of Action, various studies have indicated the need to look at both the vulnerability and resilience/coping capacity of countries. In addition, while there are advantages to developing a single composite index, the approach is fraught with technical complexities and there is a tendency to focus on a single number and forget the practical implications of what the number means for policy development, implementation and decision-making. An alternative and preferred approach is to develop assessment profiles for countries based on a series of criteria that cover environmental, economic and social dimensions, and that reflect both a country's vulnerabilities to exogenous and endogenous risks and threats and its resilience or coping capabilities. The latter would include policies and actions by policymakers, communities and the private sector to mitigate or manage these risks and threats.

94. The above methodology for assessing the vulnerability-resilience country profiles in small island developing States has already undergone peer review, and the next steps will focus on refinement of indicators and criteria and piloting in a few countries. The Department of Economic and Social Affairs, in collaboration with the Indian Ocean Commission, has secured funding from the European Commission to develop a monitoring and evaluation system for the Mauritius Strategy that will be underpinned by this methodology and will strengthen the framework for developing data and statistics in small island developing States.

IV. Conclusion

95. The proposals put forward in the present report have sought to address different areas highlighted in the Mauritius Strategy. Though compartmentalized in this instance, the challenges are cross-cutting, as are the strategies to address them.

96. Greater access to financing would assist small island developing States in enhancing the implementation of the Mauritius Strategy. Scientific research and improved technological capacity will also contribute to the measures to augment implementation.

97. Increased and efficient human resources will help to build capacity in small island developing States, and the development of new initiatives can be a useful strategy. However, best practices that have been proven successful in some small island developing States could also be expanded and implemented in others.

98. Improved and expanded collection of data, as well as additional monitoring and evaluation strategies, are important initiatives that could also be applied.

99. Political commitment and international cooperation remain critical elements in the implementation of the strategies for sustainable development in small island developing States. North-South and South-South cooperation, as well as cooperation between small island developing States and partnerships among diverse stakeholders, all have merit.

100. The challenges for small island developing States, though varied and extensive, are not insurmountable. The present report has highlighted significant opportunities for a pragmatic approach that would guide the countries along the path of sustainable development. The recommendations provided in the present report are not exhaustive. Rather, as requested in General Assembly resolution 65/2, they will help to promote a results-oriented approach towards addressing the unique vulnerabilities of small island developing States and to build their resilience in the process of implementation of the Mauritius Strategy.
