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# Meeting of representatives of donors and small island developing States, 24–26 February 1999

### **Report of the Secretary-General**

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#### I. Introduction

- 1. In response to General Assembly resolutions 51/183, 52/202 and 53/189, the Department of Economic and Social Affairs of the United Nations Secretariat, in collaboration with the United Nations Development Programme (UNDP), organized a meeting of representatives of donors and small island developing States from 24 to 26 February 1999 on the mobilization of resources to assist small island developing States in effectively implementing the Programme of Action for the Sustainable Development of Small Island Developing States.
- 2. The meeting, which was co-chaired by Roger Ehrhardt, Director-General of the United Nations and Commonwealth Division, Multilateral Programme, Canadian International Development Agency (CIDA), and Tuiloma Neroni Slade, Permanent Representative of Samoa to the United Nations and Chairman of the Alliance of Small Island States (AOSIS), was held at United Nations Headquarters and was very well attended throughout the three-day session. The participants included the representatives of prospective bilateral and multilateral donors, small island developing States, regional intergovernmental organizations of small island developing States, and a number of non-United Nations intergovernmental organizations and non-governmental organizations.<sup>1</sup>
- 3. The objective of the meeting was to consider ways and means of assisting small island developing States in mobilizing resources to implement a range of sustainable development projects, proposals on which small island developing States had previously submitted to bilateral and multilateral donors through the Department, as well as to build momentum at the international level for the continued implementation of the Programme of Action, both as a prelude to the special session of the General Assembly and for future years.
- In his opening remarks, Mr. Ehrhardt welcomed the meeting as a valuable opportunity for promoting an open and frank exchange of views between small island developing States and the donor community on the plans and priorities of these States. He also indicated that another contribution of this meeting could take place during informal consultations between donors and small island developing States on specific projects and concrete sustainable development issues facing small island developing States and as an occasion for renewing partnership between donors and small island developing States. The Under-Secretary General for Economic and Social Affairs drew attention to the special characteristics of small island developing States, their constraints and handicaps, which necessitate greater efforts on their part to operationalize the Programme of Action effectively and to pursue its goals consistently. The Associate Administrator of UNDP stressed the linkages between human development and the need for environmental protection, and pledged continued UNDP support in a renewed partnership with other donors and small island developing States for the implementation of the Programme of Action. The Chairman of AOSIS stressed the sense of ownership felt by small island developing States towards the Programme of Action, and highlighted the efforts of small island developing States to translate it into practice. He mentioned that while small island developing States have embraced the Programme of Action as the main framework for their sustainable development, the attainment of its goals was predicated on a strengthened partnership, built on mutual trust, between small island developing States and donors (for the Co-Chairmen's highlights of the meeting, see annex I).

#### II. Major issues addressed by small island developing States

- 5. Small island developing States and regional organizations on behalf of small island developing States, had submitted 311 projects for review and for commitment of resources for the subsequent implementation of the projects, at the donors/small island developing States meeting. The project portfolio included national and regional projects, roughly in the ratio of three to one. Some 30 per cent of the projects were in the areas of human resources development and national institutions and administrative capacity, and some 28 per cent in waste management, coastal and marine resources and biodiversity resources. Annex IV provides a distribution of the projects by programme area, groups of small island developing States, and national and regional categories.
- In their presentations, the representatives of small island developing States stressed their ecological fragility and the vulnerability of their small economies. They highlighted the disadvantages that derive from their location and physical characteristics — dispersion of islands over large areas in the case of archipelagic small island developing States; recurrent damages inflicted on small island developing States located in the cyclonic belt by natural disasters, such as hurricanes; overuse, rapid depletion and degradation of natural resources on account of their paucity relative to the demand for them. They also highlighted the disadvantages and constraints posed by the smallness of their economies and distance from their major trading partners — small size of labour force, which precludes the development of a critical mass of technical skills across the broad spectrum of sustainable development activities, which in turn impedes economic diversification and the flexibility needed to adapt to changing international markets; remoteness from their major trading partners, which gives rise to high international transportation costs and infrequency of marine and air transport services on account of their relatively low trade volumes; high unit costs of social and physical infrastructure on account of low demand and sub-optimal use, particularly in the very small and archipelagic States; inadequate investment resources for building critical infrastructure characterized by indivisibilities and requiring large investments, on account of low levels of absolute national savings even where per capita incomes are relatively high; vulnerability of their economies to shocks from the international economy on account of their high degree of openness and narrow specialization for the export market; near total reliance, in most cases, of both consumer and investment goods, including technology and energy, which translates into high levels of domestic prices.
- 7. Against the backdrop of the challenges facing small island developing States, their representatives elaborated on the considerable effort that small island developing States have made in the pursuit of sustainable development at the national and regional levels, complemented by international support. In that context, they outlined their respective measures to formulate national development strategies, action plans and policies, and to strengthen regulatory frameworks; establish or strengthen national institutions to coordinate implementation of the Programme of Action at the national level; and establish or strengthen regional institutions for effective regional coordination. Annex II provides a succinct account of the major actions taken by some of the small island developing States that participated in the meeting. The representatives of small island developing States pointed out that notwithstanding their efforts at the national and regional levels, progress in the implementation of the Programme of Action has been hampered by a number of factors, most importantly, lack of financial support from the international community, inadequate human resources with appropriate training, inadequate institutional capacity, inadequate capacity for the enforcement of environmental legislation and regulations, and inadequate investment resources.

- 8. They drew attention to some emerging constraints resulting from the globalization of production, distribution and finance, which is based on the ability in terms of skilled human resources, technology and natural resource endowments to take advantage of economies of scale and achieve a reduction of costs. Since small island developing States lack the necessary underpinnings they are unable to adapt to the emerging structures. They also pointed out the short-term constraints emerging from trade liberalization, which is eroding the trade preferences that they have benefited from faster than they can diversify and restructure their export sectors. They recognized the importance of the private sector in promoting sustainable development through internalization of environmental costs. They pointed out, however, that most of the projects that they had submitted fell in the category known as "public goods", whose benefits accrue to the public at large and from which profits are not easy to capture, which makes them ineligible for private investment.
- They also drew attention to the inability of individual small island developing States to effectively negotiate international trade and other agreements, as well as their inability to meet the obligations arising from the bewildering array of trade agreements and international conventions without the support of the international community. They recognized the need to cooperate at the regional level, and stressed the need for permanent and effective regional coordination mechanisms where they do not exist. A permanent regional coordination mechanism in each region could provide much needed support for identifying realistic areas of cooperation, formulating regional cooperation plans, coordinating among small island developing States to implement plans, and providing technical support to small island developing States in negotiating international treaties and participating effectively in international negotiations. Small island developing States that had submitted projects discussed their relevance for promoting sustainable development and the external resources needed for implementing the projects. Generally, small island developing States recognized the extremely vital and critical role of donor support in attaining the goals of the Programme of Action, and called on the international community not to judge their eligibility for concessional assistance solely by the indicator of per capita income, which ignores their fragility, vulnerability and inability to generate adequate national savings relative to the enormity of investment required for sustainable development.

# III. Donors' responses

- 10. Donors welcomed the opportunity provided by the forward-looking meeting to discuss concrete sustainable development issues with small island developing States, and commended the latter's commitment to the principles established at Rio de Janeiro and Barbados. There was broad recognition of the unique characteristics of small island developing States, including their ecological and economic vulnerability, and of the importance of developing satisfactory tools to assess relative vulnerability. The view was expressed that small island developing States find themselves in the front line facing the challenges created by climate change, globalization, trade liberalization, and rapid changes in information and communications technology.
- 11. Several bilateral and multilateral donors elaborated on the salient features of their current programmes of assistance to small island developing States, including in several cases their respective areas of focus and their respective aid modalities. Annex III contains a tabular account of some of the specifics of selected donors' aid programmes as outlined in the meeting. By and large, they indicated their willingness to consider funding the projects that fit in with their respective sustainable development priorities through their established mechanisms and modalities of aid allocation (see annex III). In this regard, the view was

expressed that donors need to take into account the priorities of small island developing States also.

- 12. Donors encouraged small island developing States to identify urgent and high priority issues, and on that basis to prioritize projects. On the question of prioritization it was pointed out that it is also important to ensure that major intra- and intersectoral linkages are taken into account since progress in some areas is dependent on action taken in other areas. Along the same line, it was proposed that small island developing States need to adopt a programme approach instead of a project-by-project approach in sustainable development planning, and to mainstream projects and programmes into comprehensive integrated national sustainable development plans that incorporate the economic, social and environmental dimensions of sustainable development.
- 13. Generally, donors attached great importance to effective cooperation and coordination at all levels. They invited small island developing States to strengthen public/private partnerships internally, and to enhance regional cooperation and coordination so as to benefit from synergy generated by experience and cost-sharing and by the exploitation of complementarities among human resources as well as material endowments of small island developing States. They also stressed the need for greater coordination among donors so as to ensure appropriate burden-sharing and avoid duplication of efforts and waste of resources so that scarce resources may be utilized with maximum effectiveness and efficiency. They emphasized the need to take advantage of all existing complementarities. In this context, they proposed an appropriate division of responsibilities between multilateral and bilateral donors, and called for a proper balance between national and regional programmes and projects.
- Donors called on small island developing States to continue to formulate sustainable development strategies and policies, and to give greater importance to the private sector by putting in place appropriate policies that will encourage domestic private investment and attract foreign direct investment. Such investments are necessary to enhance small island developing States' export capacity, raise export earnings and reduce reliance on external assistance. In this context, it was observed that there is a positive correlation between the level of external assistance and the level of foreign direct investment in small island developing States; high levels of external assistance serve to reduce the perceived risks of investing in small island developing States and attract high levels of foreign direct investment. It was stated that it was not an either/or question, but that both external assistance and foreign direct investment are necessary. Donors called for the strengthening of small island developing States' statistical capabilities so that they may develop suitable indicators of progress in sustainable development, in particular indicators for monitoring the performance of projects and programmes to ensure that external funding is effectively utilized and set targets are attained. Performance indicators would also help donors to give an account to their taxpayers of results achieved with external assistance resources.

# IV. Concluding remarks

15. The meeting provided prospective donors and other stakeholders with an opportunity to learn about the sustainable development priorities of small island developing States, the strategies that they have formulated to implement the Programme of Action and the constraints that they have encountered in the process of implementation. It also provided an opportunity for small island developing States to learn about the particular orientations of donors' aid programmes and their respective aid modalities. The discussions were thoughtful and frank, and took place in a very amicable and collaborative spirit. There was consensus on a number

of issues, such as the fragility and vulnerability of small island developing States, the handicaps of small economies, the need for comprehensive approaches to sustainable development planning, the need to build partnership at all levels, the need to strengthen regional cooperation among small island developing States, and the need for donor coordination, among others.

- 16. Although no specific pledges were made, the meeting served to strengthen the partnership between donors and small island developing States, and began a mutually satisfactory collaborative approach to cooperation between them that seems to be quite promising. A number of donors also indicated a willingness to provide support to small island developing States in their efforts to implement the Programme of Action generally, in particular to the projects that had been submitted. They indicated that the next step could be a thorough review of the projects and consultations with small island developing States Governments at the bilateral level through their established mechanisms.
- 17. It was agreed that the informal consultations between the focal points of small island developing States and prospective donors represented in New York that had been initiated prior to the meeting should continue with a view to discussing the issues raised during the meeting. The working group could be open-ended, and could discuss both organizational matters and thematic issues in the context of the preparation of the special session of the General Assembly.
- 18. The outcomes of the meeting will serve as a valuable input to the seventh session of the Commission on Sustainable Development and the special session of the General Assembly to be held in September 1999.

#### Notes

<sup>&</sup>lt;sup>1</sup> A list of participants is available in the Division for Sustainable Development, Department of Economic and Social Affairs; it has also been posted on the Internet on the Department's Web page at www.un.org/esa/sustdev/sids.htm.

#### Annex I

#### Co-Chairmen's highlights of the meeting

#### **Objectives of the meeting:**

- To focus attention on a range of national and regional project portfolios that are consistent with the policy priorities of the Programme of Action for the Sustainable Development of Small Island Developing States, and that were submitted to donors for consideration.
- To provide donors and other stakeholders with an important opportunity to learn about the strategies, constraints, and priorities of small island developing States in implementing the Programme of Action.
- To engage in a frank and open discussion on resource mobilization for small island developing States activities under the Programme of Action.
- To strengthen the partnership between prospective donors and small island States.
- To build momentum behind the Programme of Action, both as a prelude to the special session taking place in fall 1999, and for future years.

The Co-Chairs felt that the meeting between small island developing States and prospective donors, which also included the active participation of multilateral and non-governmental organizations, went a long way towards recapturing the energy, goodwill and forward-looking approach of the 1994 Global Conference.

#### The following are particularly worth highlighting:

- The truly impressive quality of project proposals, numbering over 300, and presentations made by both small island developing States and the three regional organizations. These proved invaluable in casting light on the constraints, strategies and priorities of small island developing States.
- The thoughtful and positive interventions that were made by donors, multilateral organizations and NGOs which contributed to an open and frank exchange.
- The strong sense of commitment to and ownership by small island States of the Programme of Action. They clearly see the Programme of Action as the framework for their sustainable development efforts.
- The range of activities that have already been undertaken under the Programme of Action by small island developing States, donors, multilateral organizations and NGOs.
- The willingness of some of the world's major financial institutions to be flexible when exploring means to assist small island States.
- The ongoing support that is being provided to small island developing States by donors and global funding sources. small island developing States were particularly heartened by the possibilities of new support that were expressed during the meeting.
- The important preparatory work that was done by the informal working group in New York, which will play a significant role in preparing for the special session.

#### Lessons learned at the meeting:

- That the most important priority areas for small island developing States are: financing, human resource development, capacity-building, institutional strengthening and technology transfer.
- That there are specific disadvantages and vulnerabilities that derive from small size, most specifically:
  - (a) A narrow range of resources;
  - (b) An excessive dependence on international trade and hence vulnerability to global developments;
  - (c) Proneness to natural and environmental disasters;
  - (d) Overuse of natural resources and premature depletion;
  - (e) Costly public administration and infrastructure, including transportation and communications;
  - (f) Limited human resources compounded by high levels of migration, particularly of skilled persons, and by weak institutional capacities.
- That for small island developing States, there will be "no place to go when the tide comes in". Small island developing States are a laboratory for the direct impacts of the greenhouse effect and other hazards of climate change. In effect, environmental issues are one of the most fundamental concerns of small island developing States, as was clearly demonstrated by the number of projects submitted and the comments made at the meeting.
- That overseas development assistance to small island developing States has substantially declined and this has had a discernible impact on their countries. Small island States underlined that resource mobilization is clearly one of their main challenges. While their concern with the resource constraints facing small island States is by no means new, they believe that it must be addressed with a new resolve if the special session is to provide the needed impetus to implement the Programme of Action.
- That said, small island developing States recognize that they must step up their efforts to foster an enabling environment for external assistance. They must adopt, as appropriate, policy reforms to cope with the turbulence of global change, since good policies beget good projects and good projects foster effective implementation. Small island developing States must also intensify their search for new modalities for resource mobilization, particularly for regional initiatives.
- The critical need for improved and effective coordination not only by small island developing States, donors, and multilateral organizations, but also within the United Nations system as a whole — was noted during the meeting. There is much room for improvement in this area, especially since better coordination would reduce costs and improve effectiveness and efficiency.
- More generally, small island developing States believe that the potential for greater resource mobilization can be enhanced by more effective coordination on a number of fronts: at the national and regional levels, including a strengthened regional mechanism; among donors, through more creative interaction with the private sector and NGOs; and through the strengthening of focal points within the United Nations system, including the small island developing States Unit.

- In the area of coordination, the valuable and critical role that can be played by Small Island Developing States Network, a UNDP-funded global Internet network which shares information and enables rapid coordination of action on pressing island issues, was highlighted. The comprehensive development framework by the World Bank also offers an important opportunity to enhance coordination at the country level and partnership with local governments.
- The need for a wide participatory approach was mentioned by donors. Small island States are to be commended for having consulted a wide range of stakeholders when determining specific needs and priorities and ensuring that these were reflected in project proposals.
- Although small island developing States have been encouraged by donors to prioritize, it became evident at the meeting that this is not a simple and clear-cut process.
   Fundamental issues such as education and health must not be lost in the formula.
- Several donors touched on the need for an output a results-oriented approach to
  development projects and the critical value of developing indicators to measure
  progress. They also highlighted the need for a national and regional balance in
  development efforts, and underlined the role that the private sector can play in the area
  of resource mobilization.
- Strengthening the capacity of small island developing States and enhancing their competitiveness to facilitate and enable their effective participation in the global economy was also raised by several interlocutors.
- Finally, island States underlined that donor funding to small island developing States is smart money given their strong commitment to and engagement in the Programme of Action. The partnership between small island developing States and donors is critical if the Programme is to achieve its objectives.

#### Follow-up:

The issue of resource mobilization is obviously an ongoing process, leading up to the special session, and beyond. More specifically, the concrete suggestions set out below were made at the meeting.

- That the informal working group continue to meet on a regular basis in preparation for the special session in September. In this way, missions in New York can play a vital facilitating role.
- That individual small island developing States follow up in their capitals with donor missions to move forward on projects.
- That small island developing States Governments ensure that the proposed projects are incorporated within their national plans so that donors can be assured of the priority attached to them.
- That donor, multilateral and NGO representatives return to their headquarters and inform their offices in small island developing States of the conclusion of this meeting and alert them to expected follow-up.
- That regional small island developing States organizations explore means for strengthening regional arrangements, and ways of dealing with some of the difficulties identified, including coordination and the operation of focal points.

• That a written summary of the meeting be circulated to all participants, and that an oral summary be made at the inter-sessional meeting of the Commission on Sustainable Development on small island developing States.

#### In closing:

The meeting was about the strengthening and enrichment of the partnership between small island developing States and the international community. Everyone present agreed that in this context, it was extremely worthwhile and successful.

### Annex II

# Action taken at the national level to promote sustainable development $\!\!\!^{a}$

| Countries | National strategies and policies to implement Programme of Action  | Legislative framework plans   | Initiatives taken and achievements   | Focus areas   |
|-----------|--|---|--|---|
| Bahrain   | Environmental Affairs has adopted three environmental policies, namely, the precautionary principle, the polluter pays principle and the cooperation principle. The three principles guide the interpretation of legislation in major fields of concern and administration of the national community | In 1996, Legislative Decree<br>No. 21 called for a<br>reorganization of<br>environmental<br>administration and the<br>establishment of<br>Environmental Affairs   | Environmental protection is<br>now the responsibility of<br>Environmental Affairs,<br>which is part of the<br>Ministry of Housing,<br>Municipalities and<br>Environment  | Terrestrial and marine<br>resources; management of<br>water resources; climate<br>change issues and<br>obligations; waste<br>management; biodiversity<br>protection; pollution control                            |
| Barbados  | The national commission on sustainable development has been working to develop a national sustainable policy and plan  | Legislative instruments<br>have been passed<br>specifically to ensure<br>coastal protection and<br>conservation, and all-<br>encompassing<br>environmental management<br>legislation has been<br>proposed   | Establishment of a separate Ministry of Environment, Energy and Natural Resources; the South Coast Sewerage Project and a solid waste management project will soon be completed; a coastal zone management unit has been created | Ensuring the input and involvement of the private sector and civil society; coastal zones and fragile marine ecosystems   |
| Cuba      | In 1997, the Ministry of<br>Science, Technology and<br>Environment headed an<br>intense process of analysis<br>and intersectoral<br>coordination that resulted in<br>a national environmental<br>strategy  | In 1997, the Cuban Parliament approved a new Law of the Environment, establishing the basis for a coherent and integrated legal framework and facilitating the inclusion of the environmental dimension in development plans at the national and local levels | National programme for integrated coastal management; a national council for river basins has been created; a country study of the biological diversity of Cuba has been completed   | Soil degradation;<br>deterioration of sanitation<br>and environmental conditions<br>in human settlements;<br>pollution of marine waters<br>and interior waters;<br>deforestation; loss of<br>biological diversity |
| Cyprus    | The major sustainable development goals of Cyprus have been included in the strategic development plan for the period 1994–1998; this will be followed by the plan for the period 1999–2003, currently under preparation   | Drafted bill for the protection of the environment, which contains full provisions for the application of environmental impact assessment measures  | A study was commissioned and financed under the SINERGY programme of the EU, entitled: "Preparation of an action plan for improving the efficiency of the energy sector"   | Fiscal instruments, information, research and participation; waste management, radiation, atmosphere, noise, chemicals, industrial accidents, biotechnology, and the protection of nature and wildlife            |

| Countries | National strategies and policies to implement Programme of Action  | Legislative framework plans   | Initiatives taken and achievements  | Focus areas  |
|-----------|--|---|---|--|
| Fiji      | Parliament has approved a new strategic plan for Fiji for 1999–2001  | A sustainable development<br>bill will soon be presented<br>to Parliament; it will ensure<br>the sustainable use of<br>resources  | Establishment of a national council for sustainable development; environmental management units within government ministries, departments and agencies; an environmental trust fund; a tribunal; the strengthening of the focal environmental agency in government and the establishment of an ozone depleting substance and climate change unit, energy conservation unit and natural resource management unit | Development plan highlights the strategies to achieve sustainable economic and social progress at the end of the 20th century, and points to the positive indicators for sustainable economic recovery; sectoral policies: natural resource utilization, development of human resources, provision of infrastructure and other essential utilities, provision of core social services — education health and housing |
| Grenada   | Efforts have been made to implement all relevant international instruments   | ·   | In addition to formal school education, Grenada provided evening classes for adults in continuing education; Grenada has made efforts to encourage the participation of all groups of society, including women  | Emphasis on education  |
| Guyana    | Has developed a national sustainable development strategy based on a full commitment to the principles of sustainable development as embodied in Agenda 21 and the Programme of Action; has revised its national policy in forestry, energy, biodiversity, protected areas, science and technology, and land | Has taken action in institutional strengthening, including forestry management  | Has set up a committee on<br>natural resources and<br>environment, chaired by the<br>Prime Minister; a natural<br>resources and environment<br>advisory committee,<br>headed by the President's<br>scientific adviser, has also<br>been established   |  |
| Jamaica   | National environmental<br>Action Plan and numerous<br>other policy documents,<br>such as the 1997 national<br>land policy, the 1997<br>national industrial policy,<br>the 1997 policy of<br>Jamaica's system of<br>protected areas   | 1991: passed the Natural<br>Resources Conservation<br>Act; 1998: drafted the<br>national irrigation master<br>plan, watershed<br>management plan, national<br>environmental education<br>action plan for sustainable<br>development (1998–2010) | Creation of the Natural<br>Resources Conservation<br>Authority in 1991;<br>additional initiatives<br>include establishment of the<br>Sustainable Development<br>Council of Jamaica in 1996,<br>and of the Jamaica<br>Sustainable Network<br>Programme in 1997   | Water resource management, tourism, taxes, disposal of non-biodegradable materials, economic instruments in environmental management, sustainable indicators   |

| Countries  | National strategies and policies to implement Programme of Action  | Legislative framework plans  | Initiatives taken and achievements  | Focus areas  |
|------------|--|--|---|--|
| Kiribati   | National strategies  |  | A national committee was established prior to UNCED; this committee has been revived as the Kiribati National Sustainable Development Committee   |  |
| Maldives   | In 1990, the first national<br>environment action plan<br>was formulated; in 1997,<br>the first plan was reviewed<br>and a second plan<br>formulated   | Formulation and enactment of the Environmental Protection Act; ratification and implementation of various international conventions and agreements | Introduction of environmental impact assessment procedures; establishment of an environment research centre; designation of protected areas and species; restructuring of the national commission for the protection of the environment   | Climate change and sea level rise; coastal zone management; biological diversity conservation; integrated reef resource management; integrated water resource management of solid waste and sewage; pollution control and hazardous wastes; sustainable tourism development; land resource management; sustainable agriculture; human settlements and urbanization |
| Mauritius  |  |  | Mauritius is engaged both<br>at a national and regional<br>level to address the issues<br>of the Programme of<br>Action. Mauritius is fully<br>involved in regional action<br>under the Indian Ocean<br>Commission  | Coastal and marine resource management; freshwater resources management  |
| Micronesia | Implementation and monitoring mechanisms under the oversight of the Sustainable Development Council and with support from the Sustainable Development Unit within the Department of Economic Affairs |  | Reorganization of the<br>structure and operations of<br>the Government to increase<br>efficiency and improve<br>financial sustainability  |  |
| Seychelles | The environmental management plan was launched in 1990; Seychelles is now in the process of assessing the implementation of the plan; the aim is to articulate a new plan for the period 2000–2010   |  | In the process of finalizing the 1999–2007 "Seychelles tourism master plan", and has completed the national biodiversity action plan, in fulfilment of the obligations of the Convention on Biological Diversity; the Seychelles National Biodiversity Centre has been launched | Focus on strengthening the legal and institutional arrangements for environmental protection and natural resources management  |

| Countries                                 | National strategies and policies to implement Programme of Action   | Legislative framework plans   | Initiatives taken and achievements  | Focus areas  |
|---|---|---|---|--|
| Solomon<br>Islands                        | National environment<br>management strategy; the<br>Government has<br>incorporated the<br>environmental issues and<br>strategies into its three-year<br>medium-term development<br>strategy                                     | Two items of legislation —<br>the Wildlife Protection Act<br>of 1998 and the<br>Environment Protection Act<br>of 1998 — have been<br>passed in Parliament | Formulation of a national biodiversity strategy action plan is currently being pursued, and will soon be recommended as part of the national report of the Convention on Biological Diversity |  |
| Suriname                                  | Brought the overall<br>environmental management<br>directly under the<br>responsibility of the<br>President of Suriname   | Through a Presidential decree, the National Council for the Environment was established as a policy and advisory body                                     | Decision taken by the<br>Government to preserve for<br>conservation purposes 1.6<br>million hectares of tropical<br>rainforest  | Institutional mechanisms, design and implementation of environmental policies  |
| Saint Lucia                               | There is no deliberate national policy to implement the Programme of Action. Rather, the Government pursues its development strategy by addressing a wide range of issues, several of which fall within the Programme of Action | Formulation of the national<br>environmental action plan;<br>development of a proposed<br>watershed and environment<br>management plan                    | Establishment of a<br>sustainable development<br>unit in the Ministry of<br>Finance and Planning;<br>establishment of a national<br>solid waste management<br>authority                       | Budgetary reform, waste<br>management, coastal zones,<br>forestry, parks and protected<br>areas and poverty alleviation  |
| Saint<br>Vincent<br>and the<br>Grenadines | In both the medium-term economic strategy 1998–2000 and the 1999 budget address, the Government has placed strong emphasis on its goal of balanced growth and sustainable development   |   |   | The major goal of the Government is to address the problems of unemployment and poverty; for 1999, the main pillars of the Government's programme are: economic diversification, efficiency and effectiveness of the public service, fiscal and regulatory framework, public sector finances, human resources and environmental management |
| Trinidad and<br>Tobago                    | Has set out its vision, policies and strategies for sustainable development in a seven-year national strategic development framework for the period 1999–2005   |   |   | Economic growth, social equity and progress and the protection of the environment; emphasis on promoting agriculture, light manufacturing, tourism and business service; in the short term: poverty eradication, employment and crime reduction  |

 $\it Note$ : Two dots (..) indicate that data are not available or are not reported separately.

<sup>&</sup>lt;sup>a</sup> This is a compilation from the summary presentations made in the meeting; it is not a comprehensive account of action taken by small island developing States.

# **Annex III**

# Some specifics of donors' programmes in small island developing States reported in the meeting<sup>a</sup>

| Donors    | Aid activities/levels of assistance   | Current programmatic priorities  | Beneficiary country or region   | Modalities and mechanisms<br>of aid allocation   | Willingness<br>to review<br>projects for<br>possible<br>funding |
|-----------|---|--|---|--|---|
| AfDB      | Over the period 1967–1998, the Bank Group committed about US\$ 710 million in the six African small island developing States, 84% of which was concessional; this amount represents about 2% of the Bank Group's total commitments in all its borrowing regional member countries | Committed to assisting the African small island developing States in implementing priority projects and programmes to promote their sustainable development; the Bank Group's interventions in small island developing States cover such areas as agriculture, fisheries, transportation, human resources, freshwater supply, waste management, capacity-building and structural adjustment programmes to improve environment policy in the African small island developing States |   | The level of resources to be made available to each country for this purpose during the period 1999–2001 will depend on the outcome of the country performance assessment exercise and country strategy papers currently under way; resource allocation by the Bank Group is now performance based, and the African small island developing States would therefore be able to attract additional resources from the Bank Group and similar multilateral financial institutions by improving their performance defined in terms of policy portfolio performance | Yes   |
| Australia |   |  |   | Interested in integrating small island developing States projects into existing funding processes, putting them through the existing channels  | Yes   |
| Canada    | Provided support to OECS, CARICOM and the University of West Indies, and its support to regional organizations has been complementary to assistance by multilaterals  | Support at the regional level focuses on oceans and fisheries resource management  | Recently developed<br>new relationships with<br>Haiti and the<br>Dominican Republic;<br>at the country level,<br>has a strong, multi-<br>year support<br>programme in<br>Jamaica; has provided<br>support for Guyana's<br>tropical forest project,<br>among other country<br>projects | Favours project funding through existing mechanisms  | Yes   |

| Donors  | Aid activities/levels of assistance   | Current programmatic priorities   | Beneficiary country or region  | Modalities and mechanisms<br>of aid allocation  | Willingness<br>to review<br>projects for<br>possible<br>funding |
|---------|---|---|--|---|---|
| CDB     | Over the period 1994–1998, CDB committed US\$ 487 million to its small island developing States borrowing member countries, 47% of which was concessional; approximately US\$ 259 million of the total resources over the period was committed for financing projects in the 15 priority areas of the Programme of Action | Committed to assisting and promoting the sustainable development of its borrowing member countries, 15 of which are small island developing States. CDB's normal lending policies allows coverage of all the priority areas of the Programme of Action; however, the Bank has been placing increasing emphasis on disaster management, waste management, tourism, human resources development and capacity-building in addition to fostering regional integration | Fifteen of CDB's 17<br>borrowing member<br>countries are small<br>island developing<br>States; all are English-<br>speaking small island<br>developing States<br>located within the<br>Caribbean basin                       | The level of resources made available to each country is based on a country assistance strategy; these strategies are based on the priorities defined under the public sector investment programme and mediumterm strategy of the country, which are frequently prepared with the assistance of CDB; the country's macroeconomic performance, portfolio performance and CDB's own exposure is also taken into consideration | Yes   |
| Denmark |   |   |  | Can make available new<br>financial resources for<br>environment and<br>sustainable use of<br>resources; the choice of<br>project will be based on<br>priorities  |   |
| EU/EDF  | For the period 1996/2000, the European Development Fund package foreseen for the national and regional programmes for small island developing States is 1,024 million euros, with the Caribbean receiving 543 million, the Indian Ocean 286 million and the Pacific 149 million   | The EU budget is oriented towards promoting actions in the fields of environment, food security, rehabilitation, co-financing with NGOs, humanitarian action, disaster prevention and preparedness and post-disaster support  | Through EDF, EU has provided support to the Caribbean small island developing States and to CARICOM, whose secretariat has been strengthened for administering aid in environment, human resources and disaster preparedness | Additional assistance:<br>European Development<br>Fund, through such<br>instruments as STABEX<br>(e.g., banana-producing<br>Windward Islands),<br>SYSMIN (e.g., Jamaica),<br>the Structural Adjustment<br>Facility (e.g., Haiti)  |   |

| Donors  | Aid activities/levels of assistance   | Current programmatic priorities   | Beneficiary country or region   | Modalities and mechanisms<br>of aid allocation   | Willingness<br>to review<br>projects for<br>possible<br>funding |
|---------|---|---|---|--|---|
| Finland |   | Made a decision to enter into negotiations to establish cooperation and partnership with small island developing States and the relevant regional bodies in the field of meteorology and hydrology through the World Meterological Organization and in cooperation with their national meterological institutes | The poorest countries are the central partners of development cooperation   | During the last four years, development aid has been slowly increasing; about 40% of foreign aid is channelled through multilateral organizations, and about 60% through bilateral arrangements  |   |
| France  | Allocated more than US\$ 110 million in bilateral aid to small island developing States alone in 1996 | Early warning assistance in case of disasters, technical assistance in education, training, health  | Bilateral aid has been concentrated on a "priority solidarity zone", which is defined and periodically updated by an inter-ministerial committee under the authority of the Prime Minister; the list comprises the following small island developing States: Vanuatu, Dominica, Grenada, Saint Lucia, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Haiti, Cuba, the Dominican Republic, Cape Verde, Comoros, Mauritius, Sao Tome and Principe, Seychelles | Started to reorganize its assistance mechanisms; small island developing States not belonging to the priority solidarity zone may receive some support through various other instruments, such as Fonds français pour l'environment mondial, Fonds caraïbes, Fonds Pacifique |   |
| GEF     |   |   |   | GEF invited small island<br>developing States to enter<br>into dialogue with GEF<br>national focal points;<br>regional bodies will work<br>to establish co-financing<br>which is required by GEF   | Yes   |

| Donors  | Aid activities/levels of assistance  | Current programmatic priorities  | Beneficiary country or region  | Modalities and mechanisms<br>of aid allocation  | Willingness<br>to review<br>projects for<br>possible<br>funding |
|---------|--|--|--|---|---|
| Germany | Between 1994 and 1997, made available to 33 small island developing States in all regions an amount of DM 233 million, i.e., some 130 million US dollars, through its bilateral financial and technical cooperation; these figures include funds disbursed, as well as funds committed for ongoing or envisaged projects, and also include financial support by the federal Government to German-based NGOs which are active in Asia and Pacific, Caribbean and African small island developing States | Focal areas for bilateral cooperation are water supply and sanitation, family planning and health, education and vocational training, regional planning, fisheries and forests   | A number of small island developing States continue to be partners in bilateral development cooperation, including Cape Verde, the Dominican Republic, Haiti and Papua New Guinea; in addition, supports the activities of a number of relevant regional organizations | Bilateral cooperation<br>complements cooperation<br>by the EC on behalf of EU<br>member States  |   |
| Japan   |  | Supported small island developing States in disaster prevention, tourism, small and medium-sized enterprises, fishery and waste management; attaches great importance to projects in waste management, disaster prevention, national institutions and administrative capacity and human resource development |  | Small island developing States are encouraged to contact the appropriate Japanese authorities through Japanese embassies to explore funding of projects | Yes   |

| Donors  | Aid activities/levels of assistance  | Current programmatic priorities  | Beneficiary country or region   | Modalities and mechanisms<br>of aid allocation              | Willingness<br>to review<br>projects for<br>possible<br>funding |
|---------|--|--|---|---|---|
| Habitat |  | Focuses on a few key issues:  • Environmental impact of settlements, infrastructure and services on small island developing States fragile ecosystems  • Vulnerability to natural disasters and improved settlements and infrastructure management for their reduction  • Human resources development in the areas of integrated resource and settlements management | Pursued partnership with small island developing States through a series of projects implemented in the Caribbean, the Indian Ocean and the South Pacific over the last decade, mostly in collaboration with UNDP, CARICOM and OECS |   |   |
| ILO     |  | The ILO's active partnership programme collaborates with social partners in many small island developing States so as to help their integration into the global economic system, on a fair and equitable basis; the international enterprise programme, for example, promotes the training of managers, entrepreneurs and skilled workers                            |   |   |   |
| Ireland | Trebled its ODA since UNCED; it is committed to multilateralism, and has steadily increased its contributions to United Nations activities; Ireland provides financial support to small island developing States through GEF |  |   | Ireland can provide<br>support to some specific<br>projects | Yes   |

| Donors         | Aid activities/levels of assistance  | Current programmatic priorities  | Beneficiary country or region  | Modalities and mechanisms<br>of aid allocation  | Willingness<br>to review<br>projects for<br>possible<br>funding |
|----------------|--|--|--|---|---|
| Italy          | In the past two years, financed, through the United Nations Trust Fund for New and Renewable Resources of Energy, nine projects in seven small island developing States and 20 scholarships to experts from 11 small island developing States, and has provided assistance to four small island developing States struck by hurricanes |  | Currently financing cooperation projects in nine small island developing States  | Italy's development cooperation is moving in a direction parallel to that of "economic partnership", especially in the field of ecotourism  |   |
| Netherlands    | ODA: 0.8% of GDP   |  |  | ODA is limited to<br>countries with structural<br>adjustment programmes;<br>criteria used for aid<br>allocation: poverty level,<br>quality of economic policy,<br>good governance |   |
| New<br>Zealand | ODA to small island developing States amounts to \$NZ 100 million, and has steadily risen in NZ dollar terms and as a percentage of central government expenditure, and now stands above the OECD average ODA/GNP ratio  | Assessment of capacity-building, vulnerability; supports strategies for environment, biodiversity, resource and waste management, climate change and phase-out of ozone depleting substances; in collaboration with FAO and WTO: enhancement of the capacity of Pacific islands to deal with the complexities of trade rules | Currently well over 55% of bilateral ODA is directed to 18 Pacific small island developing States and 25% of multilateral ODA specifically supports Pacific regional institutions; small island developing States, both in the Pacific and further afield in the Caribbean and the Indian Ocean, also benefit from a number of NZ global programmes, particularly in capacity-building |   |   |
| Norway         | ODA: \$1.2 billion per<br>year, 0.9% of GDP; plans<br>to increase ODA levels<br>to 1% of GDP   |  |  | Assistance to small island<br>developing States given<br>through multilateral<br>channels   |   |
| Spain          | Committed substantial funds to projects in small island developing States  |  |  |   | Yes   |

| Donors            | Aid activities/levels of assistance   | Current programmatic priorities   | Beneficiary country or region   | Modalities and mechanisms<br>of aid allocation  | Willingness<br>to review<br>projects for<br>possible<br>funding |
|-------------------|---|---|---|---|---|
| Sweden            | As a member of EU,<br>contributed multilateral<br>assistance to small island<br>developing States |   | Involved with projects in five small island developing States   | Allocation of aid according to some criteria  |   |
| United<br>Kingdom |   | Programme for next year<br>will focus on basic<br>education and good<br>governance  | Looked at<br>opportunities to work<br>with regional<br>institutions, such as<br>OECS and the<br>Caribbean<br>Development Bank   | Aid delivered within the<br>framework of country<br>strategy papers worked out<br>through bilateral<br>consultations  | Yes   |
| UNEP              |   | The special problems and requirements of small island developing States are recognized by GEF in three of its four concentration areas: protection of biological diversity, mitigation of climate change impacts and protection of international waters; UNEP/GEF-funded activities related to small island developing States include numerous projects in the area of biodiversity |   | UNEP's Environment Fund provides relatively small amounts for small island developing States-related activities, and, consequently, UNEP relies heavily on external sources of funding; the Global Environment Facility (GEF), of which UNEP is one of the three implementing agencies, remains one of the major potential sources of such funds; another source of funds for the implementation of the environmental aspects of the Programme of Action is the trust funds operated under the UNEP regional seas programme |   |
| UNESCO            |   |   | Contributed to two major processes of consultation in 1997 and in 1998 for the Pacific and Caribbean regions, respectively; these endeavours are known as "Focus on the Pacific" and "Focus on the Caribbean" | Funding possibilities:<br>UNESCO regular<br>programme and<br>extrabudgetary sources   |   |

| Donors                         | Aid activities/levels of assistance  | Current programmatic priorities   | Beneficiary country or region  | Modalities and mechanisms<br>of aid allocation                             | Willingness<br>to review<br>projects for<br>possible<br>funding |  |
|--------------------------------|--|---|--|--|---|--|
| UNDP                           | Supported several activities designed to strengthen the capacities of small island developing States in crucial areas identified by the Programme of Action; examples include the preparation of a Small Island Developing States Technical Assistance Programme, the assessment of unmet technical cooperation needs and priorities in the various small island developing States regions and the launching of a pilot Small Island Developing States Information Network | Crucial areas are identified by the Programme of Action   | Several projects in<br>Pacific, Indian Ocean,<br>Mediterranean,<br>Atlantic and Caribbean<br>small island<br>developing States |  | Yes   |  |
| United<br>States of<br>America |  | Expressed its particular interest in small island developing States work in implementing the international coral reef initiative, and in addressing coastal and marine resources, as well as land-based activities that affect the marine environment |  |  |   |  |
| World Bank                     |  | Interested in promoting sustainable tourism and industry in the broadest aspects  |  | Will support projects as long as they are consistent with country strategy | Yes   |  |
| WHO                            |  | Can provide training and<br>technical cooperation for<br>environmental impact<br>assessment and<br>vulnerability analysis for<br>natural disaster<br>preparedness   |  |  |   |  |

 $\it Note$ : Two dots (..) indicate that data are not available or are not reported separately.

<sup>&</sup>lt;sup>a</sup> This is a compilation from summary presentations in the meeting; it is not a comprehensive account of donor programmes.

Annex IV

Number of project proposals (regional, national and total), by programme area and group of small island developing States

|                |   | Caribbean |      |       | $IMA^a$ |      | Pacific |      |      | Total |      |      |       |
|----------------|---|-----------|------|-------|---------|------|---------|------|------|-------|------|------|-------|
| Programme area |   | Reg.      | Nat. | Total | Reg.    | Nat. | Total   | Reg. | Nat. | Total | Reg. | Nat. | Total |
| I.             | Climate change and sea level rise                 | 1         | 5    | 6     | 1       | 0    | 1       | 1    | 1    | 2     | 3    | 6    | 9     |
| II.            | Natural and environmental disasters               | 2         | 7    | 9     | 0       | 4    | 4       | 1    | 1    | 2     | 3    | 12   | 15    |
| III.           | Management of wastes                              | 4         | 12   | 16    | 2       | 7    | 9       | 0    | 8    | 8     | 6    | 27   | 33    |
| IV.            | Coastal and marine resources                      | 0         | 9    | 9     | 1       | 7    | 8       | 11   | 1    | 12    | 12   | 17   | 29    |
| V.             | Freshwater resources                              | 1         | 8    | 9     | 0       | 3    | 3       | 1    | 2    | 3     | 2    | 13   | 15    |
| VI.            | Land resources                                    | 1         | 3    | 4     | 0       | 3    | 3       | 1    | 4    | 5     | 2    | 10   | 12    |
| VII.           | Energy resources                                  | 5         | 2    | 7     | 0       | 1    | 1       | 0    | 11   | 11    | 5    | 14   | 19    |
| VIII.          | Tourism resources                                 | 0         | 9    | 9     | 0       | 2    | 2       | 0    | 5    | 5     | 0    | 16   | 16    |
| IX.            | Biodiversity resources                            | 1         | 16   | 17    | 0       | 6    | 6       | 0    | 3    | 3     | 1    | 25   | 26    |
| X.             | National institutions and administrative capacity | 4         | 14   | 18    | 2       | 8    | 10      | 0    | 10   | 10    | 6    | 32   | 38    |
| XI.            | Regional institutions and technical cooperation   | 5         | 0    | 5     | 1       | 1    | 2       | 1    | 0    | 1     | 7    | 1    | 8     |
| XII.           | Transport and communication                       | 0         | 0    | 0     | 0       | 1    | 1       | 0    | 12   | 12    | 0    | 13   | 13    |
| XIII.          | Science and technology                            | 1         | 7    | 8     | 0       | 5    | 5       | 0    | 0    | 0     | 1    | 12   | 13    |
| XIV.           | Human resources development                       | 18        | 12   | 30    | 0       | 2    | 2       | 3    | 22   | 25    | 21   | 36   | 57    |
| XV.            | Implementation, monitoring and review             | 0         | 1    | 1     | 0       | 6    | 6       | 1    | 0    | 1     | 1    | 7    | 8     |
|                | Total   | 43        | 105  | 148   | 7       | 56   | 63      | 21   | 80   | 101   | 70   | 241  | 311   |

<sup>&</sup>lt;sup>a</sup> Indian Ocean, Mediterranean and Atlantic.