

**Sustainable development and SIDS – balancing vulnerability and economic growth**  
**By H.E. Ambassador Jagdish Koonjul, Chairman of the Alliance of Small Island States (AOSIS)**

That Small Island Developing States (SIDS) face vulnerabilities and challenges which other developing countries are spared from has been recognized in various international fora. SIDS have to contend with specific challenges arising from their physical size and arpelagic formations, their geographic location and other factors relating to their islandness. These characteristics grouped together are referred to as vulnerabilities. Such vulnerabilities arise from exposure to adverse external shocks beyond their control, as well as structural handicaps, exacerbated by *inter alia* a high degree of openness, export concentration and high dependence on strategic imports, remoteness and high transport costs, susceptibility to natural disasters exacerbated by climate change and sea level rise.

The United Nations has recognized that there is a special case for the sustainable development SIDS and that SIDS require special attention. The Barbados Program of Action (BPOA) provided SIDS with the basic blueprint for sustainable development. However, there has been very little tangible progress in the acceptance of the special case of SIDS. Their efforts to secure a more sustainable future have not been matched by international assistance which has fallen by half in real terms in the case of SIDS. Only a few SIDS have been able to obtain foreign direct investments and in most cases these investments have gone towards privatizing state monopolies. In other words, while the UN has stated clearly that SIDS are a special case for sustainable development, the international community has yet to take concerted and practical action to implement that principle.

As a result of declining assistance combined with increasingly significant commitments under various international agreements, many SIDS have taken steps to seek to integrate and optimize their resources to enable them to better cope with the new situation. National sustainable development councils and coordination mechanisms have been established in many SIDS. These mechanisms have been successful to some degree but they have not reached the level at which they could be considered implementers of national sustainable development strategies, or of mainstreaming sustainable development. The regional preparatory meetings recognized this shortcoming, and there is a genuine drive to seek mechanisms that would be effective for developing and implementing national sustainable development strategies.

National sustainable development strategies have been called for by Agenda 21, reaffirmed by the Barbados Program of Action, and reiterated in the Johannesburg Plan of Implementation (JPOI). All SIDS regions have reaffirmed the need to have these strategies in place. The promotion of the concept will require some further work, and the practical measures for the integration of policies – for making a holistic approach to government – will continue to be a challenge. Practical steps need to be taken, and SIDS have called for “best practices” in this regard.

AOSIS is currently engaged in the preparatory process for the International Meeting for the review of the implementation of the BPOA 10 years after its adoption. We have assessed our progress in implementing the Program, and our Ministers at their meeting in Nassau, Bahamas, in January noted that some progress has been made but largely through our own domestic measures, despite the impediments posed by their structural disadvantages and vulnerabilities. The Ministers also recognized that SIDS vulnerabilities are growing and that SIDS will have pay to greater attention to sustainable development and resilience building. They expressed great concern at the “weakening economic performance of many SIDS since the adoption of the BPOA, due in part to their declining trade performance” and recognized the importance of international assistance for building resilience and promoting sustainable development. They therefore emphasized the necessity for the international financial and trading systems to grant special and differential treatment to SIDS.

SIDS have traditionally been producing few commodities and many of them have enjoyed preferential market access for their products for decades. Those preferences are now rapidly eroding and are likely to cause tremendous economic upheaval in many SIDS, as they find themselves at a new threshold in international trade.

The major challenge for SIDS is not only to see how to increase their share in world trade but more importantly to have enough leverage to shape the WTO rules to take account of their concerns so as to allow them have policy spaces and conducive international environment to pursue their development goals. This can only happen through wide and effective participation of SIDS in WTO negotiations, which unfortunately is not the case.

There are a number of factors that have handicapped the meaningful participation of the SIDS in the negotiations and the major ones can be highlighted as follows:-

- The SIDS lack the critical mass in WTO membership
- Lack of capacity and financial resources
- Accession process too cumbersome for the SIDS
- Many SIDS do not have permanent representation in Geneva.

At the local level SIDS, because of their small administrations have great difficulties integrating into the multilateral trading system. Their inability to participate actively in the multifaceted WTO processes and to implement and administer WTO agreements effectively compounded by their very limited capacity in capitals to formulate and administer trade policy is likely to seriously marginalize them from the global economy.

The impact of tourism development on the island environment warrants special consideration. The tourism chapter in the BPOA has noted that tourism has contributed enormously to the development of SIDS and, as one of the few development options for those small States, it will continue to be very important for their future growth. If not properly planned and managed, tourism could significantly degrade the environment on which it is so dependent. The fragility and interdependence of coastal zones and the unspoiled areas on which eco-tourism depends call for careful management.

The UNEP GEO Reports on SIDS regions show that there is considerable diversity within SIDS, The diversity and fragility of their environments are reflected in the diversity and fragility of their cultures. The protection of the former is an important condition for the protection of the latter.

Climate change has been our preoccupation for many years. It is indeed appropriate and timely that the Pentagon is seeking to understand the implications of climate change to national security. The recent study concludes that climate change though "not the most likely, is plausible," and "would challenge the United States national security in ways that should be considered immediately."

The study predicts "mega-droughts," flooding and violent storms, all on an apocalyptic scale, driving "waves of boat people" to from country to country; wars over basic resources such as oil, food, and water would become common; deaths from war and famine would run into the millions until the planet's population is reduced to an extent the Earth can cope; rich areas like the US and Europe would become 'virtual fortresses' to prevent millions of migrants from entering after being forced from land drowned by sea-level rise or no longer able to grow crops. Concludes the report: "Disruption and conflict will be endemic features of life. Once again, warfare would define human life."

SIDS have been emphasising the importance of addressing climate change for decades. In fact they are already experiencing climate change effects. This year saw unprecedented "king" tides in the Pacific, in particular in Tuvalu. In 2001, in Majuro, Marshall Islands, shop owners with "stores in the downtown area of the capital barricaded their front doors to prevent the one-foot deep water from washing in."

New and emerging diseases, such as HIV/AIDS and SARS pose a special challenge to SIDS along with more immediate concerns relating to certain communicable and vector-borne diseases that are being impacted by the changing environment and climate. Studies by UNEP and WHO have shown that climate change will have dramatic impacts on health, particularly in SIDS, and that the capacity of SIDS to cope with increased frequency of epidemics is a source of great concern. It is also likely that the ranges of current diseases could be altered, which could mean that malaria will return to areas where it had been thought eradicated. In human terms this will be a tragedy, and in economic terms it would ruin the SIDS tourism industry.

Security concerns are high on everyone's agenda in these troubled times. SIDS are particular concerned with the imposition of new security procedures especially with regard to the costs involved in adjusting to the new norms at airports and harbours.

SIDS have taken a larger view on Security to include issues of food security and water resources. While SIDS have for centuries been self-sufficient, it is a truism that today we are more and more dependent on imported foods. Changes in precipitation and frequency of storms are also creating uncertainty on rainwater harvesting which in many SIDS is

used as potable water since desalination is not affordable for most SIDS. AOSIS will call upon UNEP to make a renewed effort to assist SIDS in this regard.

Capacity building, access to appropriate technology, and means of implementation along with the above issues will feature prominently in the discussions with the International Community at the International Meeting. AOSIS Member States will seek to ensure that the Mauritius International Meeting produces credible and practical solutions for the sustainable development of SIDS. We need the partnership of the international community, and in particular of organizations such as the UNEP. Together we can strive for a sustainable future for SIDS, for generations to come.