

Small States, Special Needs

More than half the Commonwealth's 53 member countries are small states, with special characteristics – they are either physically very small or have populations of less than 1.5 million. They have similar developmental, political, economic and security problems despite their different geographic locations and socio-economic circumstances.

Since the mid-1980s, the Commonwealth has made the needs of small states one of its priority concerns. It has helped foster international trade and finance including promoting consensus on money laundering, the debt crisis and the environment, and played a pioneering role in winning international recognition that small states are vulnerable and have special needs. From its inception in 1971, the CFTC has provided assistance to help small states meet these needs. Today, small states account for over 60 per cent of CFTC expenditure.

Commonwealth policy and assistance to small states is developed and monitored through a three-tiered framework. The first tier is the Commonwealth Ministerial Group on Small States (MGSS), which provides strategic direction to the Commonwealth to address the political, economic and social concerns of small states, and to mobilise support for action and assistance on these concerns in various international fora.

The second tier is the Commonwealth Consultative Group on Small States (CGSS), a forum of senior officials constituted to examine small states issues in depth. It recommends priority areas for Secretariat assistance to small states. The third is a task force within the Secretariat, which services these two groups and ensures that programmes of assistance to small states are co-ordinated across all Divisions.

Vulnerability in the 1990s

At the 1995 Auckland meeting of the MGSS, Commonwealth leaders focused their discussions on the sustainable development of small states, their security, and the effects on small economies of systemic changes in the international trading system. They called for the landmark 1985 report, *Vulnerability: Small States in the Global Society*, to be revised and updated with its coverage expanded to embrace economic, environmental and social aspects of small states' vulnerability, as well as the political and security dimensions. They also asked the Secretariat to complete a Vulnerability Index in order to assist international consideration of the special problems of small states.

The new report on vulnerability will be presented to the MGSS when it meets in Edinburgh before the 1997 CHOGM. Work on the Vulnerability Index will be presented to the September meeting of the CGSS for further consideration.

The Secretary-General constituted an Advisory Group, comprising nine eminent Commonwealth persons serving in an individual

capacity, to ensure the independence of the authorship of the new report on vulnerability. The Group, headed by former Prime Minister of Dominica Dame Eugenia Charles, met twice and its report was to be examined by the CGSS in September 1997.

Provision of Expertise and Training

A significant part of the Secretariat's technical co-operation programme is devoted to assisting small states, either directly or through regional organisations. Commonwealth experts funded by the CFTC can serve from a few weeks to a few years and help fill key developmental positions where the required skills are in short supply. Through on-the-job training, CFTC experts pass on their knowledge to local counterparts.

Demand increased for this type of assistance in 1995-97, especially in banking, legal, maritime boundary delimitation, fisheries, mining and petroleum matters. For example, within weeks of a Guyana Government request for help in the aftermath of a major cyanide leak from the Omai Gold Mine in 1996, the Secretariat had put in place a CFTC-funded engineering geologist and an environmental scientist who provided impartial assistance to the Government and its Commission of Inquiry which followed.

St George's Harbour, Grenada ... small states do not always have the capacity to maximise their trade potential



The tourist industry is also important to the economies of small states. Between 1991 and 1996, technical assistance was provided to the Caribbean Tourism Organisation to promote investment in the Caribbean. An expert funded by the CFTC advised the Seychelles Government on all aspects of tourism and assisted with the preparation of a Tourism Master Plan for 1996-2005. Experts were also sent to Grenada, St Vincent and the Grenadines, and Trinidad and Tobago.

Secretariat training activities in small states are aimed largely at institutional strengthening and capacity-building through the design and delivery of specialised pan-Commonwealth, regional and in-country workshops and seminars.

Key training areas include entrepreneurship development, diplomatic training, public sector reform, middle-management development programmes, human resources planning and management, information technology, environmental management and disaster/emergency preparedness, and local government capacity-building. Many of these programmes are organised and delivered through such institutions as the

University of the South Pacific, the University of the West Indies and the University of Malta.

Trade and Industry

As the world strives towards greater economic integration through increased participation in international trade, the Secretariat is conscious that some small states may not have the capacity to maximise their trade potential. It therefore advises them on appropriate trade-led development strategies, helping them to respond to the conclusions of the Uruguay Round and other developments in the international trading system.

It has helped institutions formulate and implement strategies for the export of goods and services, and improved the capacity of governments to adapt and develop policies to enhance their exports. For example, assistance was provided to Swaziland in developing exports and attracting inward investment: a short-term legal trade and investment expert helped prepare legislation for the establishment of an investment promotion agency and draft legislation on competition policy and law.



Small states receive assistance in setting up businesses ... this ceramics enterprise was set up for the disabled in The Bahamas

The liberalising of global trade is likely to have a strong impact on enterprising small economies, but they will need help to take full advantage of it, especially at the micro-level. The Secretariat is about to finalise a study of the impediments faced by small states in the area of international trade. The study examines business successes and failures in an attempt to identify requirements for developing and sustaining effective trade policies and removing obstacles which impede the export performance of small states. It is partially funded by the Australian Government.

Since 1995, the Secretariat has shifted the focus of its industrial assistance programmes towards promoting entrepreneurship and small enterprises in small states. These are described in an earlier chapter (see page 47).

Promoting Capital Flows

Small states often experience problems in attracting the private capital flows they need for economic growth. Under the umbrella of the



For young children in small states, such as these in the Seychelles, special assistance is needed to deliver quality education suited to their needs

Commonwealth Private Investment Initiative (see page 40), the first in a series of regional investment funds, the Commonwealth Africa Investment Fund is already attracting investment to African member countries, including the small states of Botswana, The Gambia, Lesotho, Mauritius and Swaziland. The fund was launched by the Secretariat in July 1996 in conjunction with Britain's Commonwealth Development Corporation (CDC).

A second fund, for the Pacific region, the Kula Fund, has been incorporated in Vanuatu. Its management company will be based in Papua New Guinea. It has mobilised some US\$15 million worth of capital from such agencies as the Asian Development Bank, European Investment Bank, International Finance Corporation, the French financing agency Proparco and CDC. It will support private sector development in the Pacific island states by making risk capital available in a wide range of sectors. The Kula Fund is expected to close at the end of 1997, by which time further amounts are likely to have been raised. Its inaugural board meeting was scheduled to be held in Vanuatu in August 1997.

Work is also under way on a similar fund for the Caribbean. The Secretariat has already discussed its potential with governments in the Caribbean, and the CDC is studying the possibility of mobilising capital worth US\$25-30 million. Initial studies analysing investment opportunities in the region are being carried out and, if they are positive, the fund might be established in 1998.

Environment, Science and Technology

The environments of small island states are among the most threatened in the world – from pollution, natural disasters, coastal erosion and the impact of tourism. With few local scientists and even fewer research facilities, small states face an uphill struggle when it comes to protecting their fragile environments, preserving biological diversity and harnessing what precious natural resources are available to them. At its biennial meeting in May 1997, the Commonwealth Science Council (CSC) discussed concessionary terms of membership for the 17 small countries

which have yet to join the CSC and for whom many CSC programmes are particularly relevant.

Under the CSC's water resources programme, for example, assistance to small island states is a high priority. A Small Island Water Information Network (SI-WIN) aims to reduce the isolation of water professionals on small islands by putting them in touch with each other, and to increase efficiency and productivity through regularly circulating information. The network has established nodes in the Pacific and in the Mediterranean. These have been provided with equipment and software for scanning their reports and documents into the SI-WIN database. Further nodes are to be established for the Caribbean and the Indian Ocean.

For many years, it has been recognised that biodiversity may play an important long-term role in the national economic development of many small states. The Secretariat's lead project in this area is the Iwokrama International Rainforest Programme in Guyana, which seeks to help identify successful methods of conserving and using the forest's resources on a sustainable basis (*see page 92*). The Secretariat is also developing a pilot project, to be implemented in Mauritius, to identify and monitor biodiversity in small island developing states. A workshop to establish a Caribbean Network for the Management of Mangrove Ecosystems was held in Jamaica in July 1996.

With the support of the Canadian International Development Agency (CIDA), the CSC has completed a major study to develop a strategy for sustainable ocean management and development in the Caribbean. The study has established an integrated and comprehensive framework for ocean management in the Commonwealth states of the Caribbean, and is a platform for future donor assistance. Plans are under way to develop a similar programme in the Western Indian Ocean.

The CSC is carrying out training in the management of hazardous waste in order to enhance the capabilities of scientists to monitor and manage toxic and other hazardous wastes and assess human risk in dealing with these wastes.

Law

Legal cases, especially international ones, can tie up a small state's attorney-general's office for months. Small states therefore have the most to gain from the Secretariat's work in mutual legal assistance and co-operation in, among other things, the fight against money laundering (*see page 20*). Legal skills are available to them for negotiation of fisheries access agreements and the effective management of exclusive economic zones.

Issues of special interest and concern to small states have, as a matter of practice, been included on the agenda of the triennial Commonwealth Law Ministers Meetings and since 1983, the Secretariat has organised a separate meeting of law officers (ministers and attorneys-general) of small Commonwealth jurisdictions every three years.

At their last meeting in Namibia in 1995, law officers of small Commonwealth jurisdictions identified a number of priority areas requiring urgent Secretariat assistance. These included issues pertaining to the Law of the Sea, environment and the trade-related aspects of intellectual property rights (TRIPS) under WTO agreements. In 1996 the Secretariat initiated a programme of regional workshops to address these issues.

HUMAN RESOURCE DEVELOPMENT

The Secretariat has continued to assist small states in strengthening their capability to deliver quality education suited to their special needs. Various workshops have been held to help small states in the management of their educational resources, and materials have been produced to assist in the training of teachers working with students in different grades.

To help strengthen existing Ministries of Education and examination boards, the Secretariat organised a pan-Commonwealth workshop on examination systems in small states in May 1996. As a direct result of this, an Association of Commonwealth Examination and Accreditation Bodies is expected to be launched in 1998.

Small states also benefit from a wide range of activities delivered through the Commonwealth Youth Programme (CYP) and its regional centres, two of which, in Guyana and the Solomon Islands, serve in regions with a preponderance of small states (see page 75). In the South Pacific, for example, courses have been taught on advanced youth-worker skills, such as counselling, financial management and enterprise development.

International Representation

Since 1983, the Commonwealth has maintained in New York a Joint Office for Commonwealth Permanent Missions at the United Nations, which provides office space for the representatives to the UN of nine small member countries: Belize, Dominica, The Gambia, Grenada, Maldives, St Lucia, Samoa, Seychelles and Solomon Islands.

The Joint Office has traditionally received funding from three major donors: Australia, Britain and Canada. Following the Commonwealth call in 1996 for more donors for the Joint Office initiative, additional financing was obtained from the Governments of New Zealand and Singapore.

Through its observer status at the UN General Assembly, the Secretariat continues to monitor developments relating to areas of concern to small states. The Secretariat expects to continue to work with Commonwealth small states within the UN system as well as other regional organisations to address threats to the security of small states and other issues.

The Secretariat maintains its links with small states within the Caribbean, *inter alia*, by the attendance of the Secretary-General at the Caribbean Community (CARICOM) Heads of Government Meetings, and it has strengthened its relationship with CARICOM through the signing of a Memorandum of Understanding (MOU) with the CARICOM Secretariat in 1996. A similar MOU was agreed earlier with the Secretariat of the South Pacific Forum.

The promotion of Commonwealth fundamental political values, such as democracy and democratic processes, has included the organisation of regional meetings of Chief Electoral Officers in the Pacific region in 1995, the Caribbean in 1996, and Asia and the Indian Ocean in 1997. The Commonwealth continues to assist The Gambia and Lesotho in capacity-building for the consolidation of democracy (see page 17).

On matters of international trade and negotiations, the Secretariat continues to provide small states with assistance on accession procedures to the WTO, and on options for a successor agreement to the Lomé IV Convention in advance of formal negotiations to begin in 1998.