OUTCOMES STATEMENT

1. The Commonwealth convened its Fourth Global Biennial Conference on Small States on 12 -13 May 2016 in Seychelles. Participants included ministers and senior government officials from 19 small states Commonwealth countries, as well as from regional and international organisations and civil society.

2. Participants noted that in spite of some progress, small states continue to face significant challenges in achieving sustainable development and internationally agreed development goals. Small states struggle to withstand or recover from adverse shocks that often erode social and economic gains. These countries are also grappling with the impact of climate change which is disproportionately affecting their development. Indeed, some small states notably Small Island Developing States (SIDS), are facing an existential threat from rising sea levels. In light of these challenges participants reflected on the potential impact of recent international agreements on the sustainable development of small states, and explored available mechanisms to build resilience and secure financing to achieve their development goals.

CURRENT CHALLENGES AND OPPORTUNITIES

3. Participants acknowledged that the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda, Paris Agreement and Samoa Pathway will shape national and regional development as well as development cooperation for the coming decades. Therefore small states should take stock of their local realities and abilities to achieve these goals. Cognisant of their limited capacity and inherent vulnerabilities, namely, their small size, limited human resources and susceptibility to external shocks all of which threaten to erode progress on the SDGs, they strongly urged development partners to provide greater levels of support.

4. With limited resources and capacity, small states also face governance challenges, particularly in strengthening institutions and development coordination. Strengthening governance is therefore crucial in building resilience. In addition, they experience major economic setbacks as a result of disasters and require support in disaster planning, response and reconstruction efforts. Small states generally rely heavily on post disaster financing, including grants, loans and remittances which are highly uncertain.

5. Undeniably, small states face the brunt of the impact of climate change and for many, it is an existential crisis, yet they have contributed the least to climate change. Action on climate change is therefore paramount, with more ambition required in the climate change agenda.
6. Adequate and affordable financing for development is another significant challenge facing small states. The situation is exacerbated when small states graduate to middle income status and are then excluded from accessing concessional finance.

7. Despite significant ICT opportunities to assist with the achievement of the SDGs, small states continue to struggle in capitalising on these technologies. Lack of infrastructure was identified as one of the major barriers for ICT development.

ENVISIONING THE FUTURE WE WANT

8. In envisioning the future for small states, participants considered Singapore’s transformation, which focused on meritocracy, managing the diversity of its nation, strengthening its institutions and pursuing a pragmatic approach of continuously reviewing policies to ensure delivery of intended results.

9. Participants acknowledged that resilience building and achieving the SDGs requires inclusive engagement with multi-stakeholder partnerships. Private sector, civil society and youth play important roles and are partners in development. Small states should create a conducive environment and strengthen the capacities of these stakeholders to contribute to the development agenda. Public and private partnerships were among the viable options highlighted by participants for advancing development in small states.

10. The importance of building capacity, transfer of technology and women’s economic empowerment were also highlighted as critical to successful achievement of SDGs. They noted various perspectives on the potential and use of technology for supporting sustainable and resilient development in small states and urged national governments and the international community to facilitate innovation and technology use.

11. Participants recognised the importance of the sustainable use of natural resources and that many small states were in fact, large ocean states. Small states were encouraged to explore the use of technology for the sustainable use of oceans resources.

12. Acknowledging the downward trend of traditional sources of finance, such as foreign direct investment and ODA, the participants reviewed new and innovative financing tools being considered to help small states fund their development needs. Small states should also explore the potential of crowdfunding for accessing smaller scale financing for development. Participants welcomed the discussion on crowdfunding and requested more information on the legal requirements, but expressed concern about the potential for negative repercussions on the reputation of their financial jurisdictions. Participants encouraged the creation of additional access for climate change financing specifically geared towards small and climate-vulnerable states.

MAPPING THE WAY FORWARD

13. In mapping the way forward, participants called for:

i. National ownership of Agenda 2030 with alignment of national and regional priorities to achieving the SDGs. Africa 2063 was highlighted as a regional example of contextualising the SDGs;

ii. Strengthening development coordination within small states and among partners;
iii. International Financial Institutions (IFIs) to use vulnerability as a key criterion rather than relying on income criteria in determining access to concessional finance;

iv. A global partnership on disaster risk resilience with a view to mitigating the uncertainty of post disaster financing;

v. The international community, in partnership with small states, to explore innovative financing tools such as blue bonds, debt-for-climate swaps, and crowdfunding;

vi. Developed countries to meet their commitments on climate change including on new and additional climate finance. In this regard, participants welcomed the establishment of the Commonwealth Climate Finance Access Hub, which is intended to build capacity to access funds as well as the Commonwealth Green Finance Facility initiative designed to access finance for small scale green projects for developing countries.

vii. Targeted reduction in global temperatures to 1.5 degrees and to address loss and damage;

viii. Support in the sustainable use of natural resources such as the blue economy approach.

14. All participants recognised the value of the Global Biennial Small States Conference as a forum for sharing experiences and highlighting issues requiring consensus building. Participants agreed to advocate for the above-mentioned issues in all forums to build resilience in small states. The delegates warmly thanked the Government and people of Seychelles for co-hosting the Fourth Biennial Conference, and for their hospitality.

Seychelles
13 May 2016