



**MAURITIUS**

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**STATEMENT**

by

**Dr. The Hon. Navinchandra Ramgoolam  
Prime Minister of the Republic of Mauritius  
on behalf of the Alliance of the Small Island States (AOSIS)**

at the

**Special Session on Financing for Development  
High-Level Plenary Meeting of the General Assembly**

**14 September 2005  
New York**

*Check Against Delivery*

Messrs Co-Chairpersons,

It is an honour for me to address this Special Session on behalf of the Alliance of Small Island Developing States which associates itself with the statement made by the Honorable Percival James Patterson, Prime Minister of Jamaica on behalf of the Group of 77 and China.

Messrs Co-Chairpersons,

At the Monterrey Conference and throughout the review process of the Barbados Program culminating in the Mauritius International Meeting AOSIS Members took a principled approach which rested on a number of fundamental factors unique to Small Island Developing States.

Indeed SIDS face a number of constraints unique to them such as small and narrow resource bases that do not allow for economies of scale, limited market access, fragile natural environments and vulnerability to natural disasters, high costs of energy, poor infrastructure, lack of adequate transportation and communication.

SIDS are also vulnerable to exogenous environmental and economic events such as the dramatic increase in fuel prices which impede their opportunities for development. Their structural weakness constrains their competitiveness and ability to participate effectively in the international economic and trading system, while the process of globalization compounds the risks of their marginalization. These factors considerably limit the prospects of these countries' ability to attract foreign direct investment and other international private capital flows.

For these reasons AOSIS held the view that while addressing the needs of ALL developing countries, particular attention needs to be paid to SIDS on the basis that the one size fits all approach would not address these specific needs and concerns. In that context we asked for:

1. Continued access to official development assistance,
2. Concessional financing arrangements
3. Reduction of debt servicing and debt stock
4. Access to private capital flows
5. Establishment of a nonnative and legal framework for the conduct of foreign investors
6. Improved access to markets and improved terms of trade for developing countries.

Messrs Co-Chairpersons,

While the Monterrey Consensus did not fully address the concerns and special needs of SIDS, we still view the Consensus as a useful and valuable framework to pursue global development in a coherent and consistent manner. Since Monterrey we are encouraged by the many constructive and useful proposals advanced by developing and developed countries, civil society and regional and international institutions to build on the consensus, redress its deficiencies and accelerate its implementation. It is therefore our hope that this meeting, and the outcome of the Summit will serve to renew international support for the financing for development process.

Global trends since Monterrey have been quite unfriendly to SIDS economies. This has resulted in SIDS becoming more vulnerable in all the three pillars of sustainable development.

Our economic prospects have deteriorated with the decline in commodity prices, loss of traditional markets erosion of preferences and declining levels of ODA and FDI. We have been asked to open up our economies to competition from wealthier international companies with whom our domestic companies have a hard time competing.

Our social cohesion is being severely compromised by challenges such as transnational crime, illicit drugs and HIV/AIDS.

Messrs Co-Chairpersons,

Our fragile environment has worsened as a result of climate change, sea level rise, climate variability, and susceptibility to natural disasters and other global environmental phenomena. The frequency, intensity, and span of hurricanes and tropical cyclones have increased and are creating unprecedented damage and devastation to SIDS' livelihood. The desolation seen two weeks ago in the southern part of this country has clearly demonstrated

the vulnerabilities of low lying coastal areas, which are so similar to those of SIDS. Just a month before Hurricane Katrina hit, MIT hurricane specialist Kerry Emanuel published a landmark paper in the British science magazine Nature showing that tropical storms were now lasting one and a half times longer with spinning winds 50% more powerful than just a few decades before. The only plausible cause: the ever-warmer tropical seas on which these storms thrive. Katrina, a Category 1 storm when it crossed Florida, roared to full life in the abnormally hot water of the Gulf of Mexico.

Taken together, these present a formidable set of hurdles to the sustainable development of SIDS.

What SIDS need is a more accommodating international economic environment that recognizes and take due account of the inherent vulnerabilities of SIDS when considering their development, financial and trade needs. The International Meeting on the Sustainable Development of Small Island Developing States held in Mauritius earlier

this year focused on the declining flows of foreign direct investment and the further marginalization of SIDS in the global trading system and called on the multilateral monetary, financial and trading systems, to consider differentiated support and targeted assistance. The Meeting also highlighted the fact that the one size fits all approach could not apply to SIDS.

Market access for SIDS which, for the most part are single commodity exporters mainly bananas and sugar should be maintained through the preservation of the current preferential trade arrangements which they have traditionally enjoyed. Without these preferential schemes SIDS will lose their current share of global trade and this would have dire socio-economic consequences. It is vital that the WTO elaborates special and differential treatment for this category of countries which are among the weakest in the WTO constituency. The creation of a special category for SIDS in the context of the context of the WTO should be seriously contemplated.

SIDS which are the least responsible for green house gasses emissions should receive financial and technical assistance to adapt to the impacts of climate change through mechanisms available under UNFCCC and UNCCD. In this regard we call for additional resources being allocated to these mechanisms. It is equally important that the disbursement procedures of these and other global mechanisms be made simpler so that access to these funds can be facilitated.

We are thankful to all the donor countries as well as the International Financial Institutions and UN Specialized Agencies which pledged their support during the Mauritius International

Meeting to support SIDS. What we need now is a proper coordination of such assistance. It is also important that

appropriate focal points be established in the International Organizations which will be able to approach development projects in SIDS in a more integrated manner.

Messrs Co-Chairpersons,

Greater awareness in respect of national disaster risk management planning, and capacity building at the national level will be crucial. Lack of information on the complex nature of disasters and a lack of models of good practice for disaster preparedness and response, as well as a lack of building codes and regulatory frameworks to support more effective urban planning processes will need to be urgently addressed.

But more importantly the problem of access to insurance for SOS infrastructure needs to given particular attention.

Many of the disaster prone areas of SIDS are not able to obtain appropriate insurance due to the heavy costs incurred in previous disasters.

And even when and if they are available the costs of insurance, represent a major drain on most SOS economies.

While we understand that insurance mostly concerns the private sector which implies profit making and risk reduction we believe that the international community has a responsibility to devise ways and means including through creative and imaginative ideas to assist SIDS in that regard.

SIDS have high expectations from this Summit to obtain the necessary support to implement the Mauritius Strategy. We are confident that the International Community will not fail us.