

# Small Island Developing States

*Addressing SIDS Vulnerabilities Through Regional Cooperation*

LME: LEARN  
POLICY BRIEF

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## **Context and importance of the problem**

Small island developing states (SIDS) are made up of low- and middle- income island and coastal developing countries that span the Atlantic, Indian, and Pacific Oceans. There is no official list of which nations are identified as SIDS, with as few as 28 and as many as 58 countries and overseas territories are recognized as SIDS depending on the organization. Totaling over 50 million inhabitants, the SIDS community is a heterogenous mixture of countries often facing similar challenges, but in many ways are as different as they are similar. Major international agreements and conferences have supported the SIDS grouping over the years, cementing the concept as a valid grouping in the international development community, and providing a powerful voice to engage in global dialogues.

Yet, when it comes to implementation of regional and transboundary issues, SIDS, like all coastal and island countries, may face additional challenges. A common trait shared by nearly all SIDS is an increased vulnerability to economic and environmental shocks. SIDS heightened economic vulnerability can be traced back to economic constraints, including a lack of access to markets, diseconomies of scale, and restricted pools of human and other capital.

Environmental vulnerability reflects the potential risks faced to a country's natural resources. For many SIDS, this especially includes a disproportionately high impact of climate change, including increased tropical storms and other natural disasters, sea level rise, ocean warming, and ocean acidification. Non-climate change impacts are also major threats to SIDS, including the rapid depletion of natural resources, especially marine natural resources, due to increased human development. Where SIDS are at a major disadvantage often comes to enforcement of environmental laws, including both policing of marine areas and harvest control measures, but also judicial capacity to strengthen national laws. Low human and financial capital and a disproportionately large marine area can make marine resource management, and especially transboundary marine resource management, extremely difficult.

## **Critique of policy options**

To address national policy gaps and address individual issues of resilience, regional groups of SIDS have developed innovative regional management mechanisms that not only provide national benefits, but also improve the health and management of transboundary marine resources as well.

## **Regional SIDS Cooperation**

Recognizing their collective strength, many SIDS have proactively worked together to avoid addressing these vulnerabilities alone. The SIDS community has worked together over the past few decades to



address these vulnerabilities, with individual countries mutually leveraging support from other SIDS and the international community to collectively improve their resilience. Through a series of international SIDS meetings, including most recently the 2014 Third International Conference on Small Island Developing States in Samoa, and the resulting SIDS Accelerated Modalities of Action (SAMOA Pathway) outcome document. The SAMOA Pathway is the current SIDS strategy, which combined with the United Nations Sustainable Development Goals (SDGs), and multilateral environmental agreement commitments such as the United Nations Framework Convention for Climate Change (UNFCCC) and the Convention on Biological Diversity (CBD), aim to guide SIDS national sustainable development strategies.

At the regional level, the SAMOA Pathway also promoted SIDS to work together towards regional economic cooperation and natural resources management. This led to the establishment of the Caribbean Community (CARICOM), the Pacific Islands Forum (PIF) and the Indian Ocean Commission (IOC). While these regional cooperation structures have proven helpful for collaboration, dedicated initiatives for protection of natural resources at the sub-Large Marine Ecosystem level were also established in the Pacific and Caribbean called the Micronesia Challenge and Caribbean Challenge, respectively.

### **Caribbean Community (CARICOM)**

The Caribbean Community (CARICOM) consists of 28 Caribbean countries as full member states, associate member states, and observe states, including 22 Caribbean SIDS. Established in 1973, CARICOM is one of the longest running regional integration mechanisms to foster a single market and is a key regional organization to coordinate sustainable economic development efforts across SIDS in the Caribbean Sea. CARICOM was established with promoting four core goals: i) human and social development; ii) security; iii) economic integration, and; iv) foreign policy coordination. For SIDS that are often vulnerable to economic and environmental shocks, CARICOM has proved to play an essential role to leverage individual SIDS comparative advantages through regional cooperation and capitalize on economies of scale within a Caribbean single market.

With participation from countries that are part of both the Caribbean and Gulf of Mexico Large Marine Ecosystem, CARICOM has been a central organization for past LME investments, including the development of the Caribbean Large Marine Ecosystem (CLME) TDA-SAP. When it comes to supporting SIDS, CARICOM has been critical to building capacity and connecting Caribbean SIDS to ensure overall economic growth. As fisheries is a significant economic focus of CARICOM member countries, member states have established the Caribbean Regional Fisheries Management Mechanism (CRFM) to support implementation of coordination and cooperation of CARICOM goals for Caribbean SIDS.



## Pacific Islands Forum (PIF)

The Pacific Islands Forum (PIF) represents the interests from 23 Pacific SIDS as member, associate member, and observer states. The PIF has been a key coordination organization for Pacific SIDS since 1971, especially when it comes to engagement in international multilateral negotiations. The PIF's mission is focused on enhancing member governments economic and social well-being by fostering cooperation between governments and between international agencies, and by representing member governments interests. The PIF promotes economic development, transport and trade for Pacific SIDS, thereby improving the economic resilience of individual SIDS.

Like the Caribbean, a key economic driver for Pacific SIDS is fisheries. The PIF established the Forum Fisheries Agency (FFA) to support Pacific SIDS with management and development of fishery resources in their EEZs. This includes controlling access of foreign fishing activity as well as improving sustainable domestic pelagic fisheries. As Pacific SIDS continue to develop new economic opportunities tied to marine resources at the national level, the FFA and PIF provide access to technical, financial, and international resources that reduce the individual vulnerability of Pacific SIDS to economic and environmental shocks – which for the Pacific are often intertwined such as the case with declining fish stocks.



## Indian Ocean Commission (IOC)

The Indian Ocean Commission (IOC) (*Commission de l'Océan Indien-COI*) supports Western Indian Ocean SIDS, including Comoros, Madagascar, Mauritius, Réunion (an overseas region of France), and Seychelles. Established in 1982, the mission of IOC is to strengthen cooperation among African Indian Ocean countries through economic development programs that promote sustainability of the IOC member nations' natural resources for overall improvement of livelihoods. Unlike other regional groupings in the Caribbean and the Pacific, the IOC is entirely comprised of SIDS and has often also been a champion of SIDS issues at international venues.

One of the core IOC pillars includes promoting the sustainable development and cooperation in the Western Indian Ocean maritime fishing industry, stressing the conservation of resources and marine ecosystems. The IOC has been an active partner supporting Western Indian Ocean SIDS in the Agulhas and Somali Currents Large Marine Ecosystem (ASCLME) that run along the eastern coast of Africa. One of the added values of the IOC for Western Indian Ocean SIDS has been to provide economic opportunities for developing nations such as Comoros and Madagascar by leveraging the experiences, access to markets, and financial and technical capacities of more well-off neighboring island nations like Mauritius and Seychelles. Collectively the IOC has helped member nations improve the management of marine fish stocks and marine environments, especially linked to areas of high tourism potential.

## Policy recommendations

Effectively addressing the inherent economic and environmental vulnerabilities of SIDS is critical to successful transboundary marine conservation and economic growth. The Seychelles and Mauritius Joint Management Area, and Micronesia and Caribbean Challenges are just a few examples of ways SIDS have worked together to achieve outcomes that may have not been possible without the support of regional cooperation. To meet the growing interest of blue growth opportunities, which are expected to play a central role for many SIDS overall economic development strategies, building resilience to overcome these recognized vulnerabilities is essential. This will increasingly rely on recognizing the successes and experiences from SIDS, including the following policy recommendations:

- SIDS often share common economic and environmental vulnerabilities, yet have country-specific management needs that can require tailored approaches for marine resources management.
- Island countries can group together to leverage economies of scale, capacities, and shared regional natural resource wealth. These groupings can be formal or informal to best meet the region's goals.
- Regional “challenges” or conservation commitments such as the Micronesia and Caribbean Challenges can spur SIDS government momentum, public and private financial investment, and coordinated action on the ground.
- Adjacent island nations can cooperate to develop innovative ways for joint management, relying on tools such as marine spatial planning.
- Blue Economy and Blue BioTrade momentum offer innovative ways to identify new sustainable economic activities, attract private sector investment, and achieve sustainable development goals.

## Case Study: Micronesia and Caribbean Challenges

The Micronesia region of the western Pacific Ocean contains over 2,000 coral and rock islands, four countries, five political jurisdictions, and nearly 700,000 people. In an area of over 6.7 million square kilometers, or roughly more than twice the size of India, Micronesia is a region of shared culture, not a single ecological unit or Large Marine Ecosystem. The region abuts the Pacific warm water pool and is home to globally important marine biodiversity, commercially important pelagic fisheries, and popular tourism destinations. Micronesia is also often the epicenter of climate change impacts, including threats from ever-growing tropical cyclones, ocean warming and acidification, and most significantly, sea level rise. It is estimated that some of the lower-lying coral atolls may be fully consumed by rising ocean waters before the end of the century. On top of the immediate impacts of climate change are a host of other anthropogenic stressors, including unsustainable and illegal fishing practices and marine and coastal habitat degradation. As a key community of SIDS, the Micronesia region recognized the direction of their trends and decided to take collective action. The governments took action by launching the Micronesia Challenge (MC) at the eight Convention on Biological Diversity (CBD) Conference of the Parties in Brazil in 2006.





The Micronesia Challenge brought together the Republic of Palau, Federated States of Micronesia, Republic of the Marshall Islands, U.S. Territory of Guam and U.S. Commonwealth of the Northern Mariana Islands to conserve marine and terrestrial areas of the Micronesia region of the Pacific Ocean. The main goal of the Micronesia Challenge was for each country to strive for protection of at least 20 percent of terrestrial areas and at least 30 percent of near-shore marine areas up to 100 meters in depth by 2020.

The Micronesia Challenge was seen as a historic action not just within Pacific SIDS, but globally as a commitment of collective action to conserve

valuable natural resources. And for SIDS with limited individual resources, it is a great example of collaboration at the highest of levels to ensure long-term sustainable management of natural resources. For example, the Micronesia Challenge was structured with national and regional sustainable financial goals, including the establishment of a Micronesia Challenge Trust. By working together, these individual SIDS were able to capture economies of scale not just from financing and returns on investments, but also leveraging technical and human capacities to scale up national natural resource management goals.

One of the more recent successes that has resulted from the Micronesia Challenge has come from the Republic of Palau. In 2014, the government established 80 percent of their Exclusive Economic Zone (EEZ) – approximately 600,000 square kilometers - as a nation sanctuary off limits to any kind of domestic or foreign extraction, especially including commercial fisheries. For a country that relies heavily on fisheries and sale of fishing quotas to foreign fleets as part of the Parties to the Nauru Agreement (PNA), this unprecedented effort shows the dedication Palau has for achieving the goals of the Micronesia Challenge and protecting their marine environment.

Since the Micronesia Challenge was established, nearly 7,000 square kilometers of area in over 150 conservation areas are now sustainably managed. Yet, perhaps more impactful has been the attention the Micronesia Challenge has generated with other SIDS. Similar conservation challenges have been inspired with other regional collection of SIDS around the world, including in the Caribbean Sea.

### **Caribbean Challenge Initiative**

The Caribbean region of the Atlantic Ocean hosts the largest number SIDS that host more than 65 percent of the overall SIDS global population. The region is contained within the Caribbean Large Marine Ecosystem (CLME), one of the most complex transboundary marine governance systems in the world. Partly inspired by the conservation and fundraising successes from the 2006 Micronesia Challenge, the Caribbean SIDS, through the Caribbean Community (CARICOM), in partnership with the civil society and private sector, established the Caribbean Challenge Initiative in 2013. The



goal of the Caribbean Challenge Initiative is to accelerate action on environmental conservation, with the aim to conserve at least 20 percent of the marine and coastal area within each country by 2020. Coupled with a sustainable financing plan to support implementation, the Caribbean Challenge Initiative has seen growing government support and cooperation from Caribbean nations.

Unlike Pacific SIDS, Caribbean SIDS are geographically closer together. This closer proximity to each other yields economies that are closer connected in terms of trade, sharing of natural resources, and market competition. The Caribbean Challenge Initiative has served as an instrumental mechanism to provide collaborate dialogue on not just natural conservation goals, but also how it fits into broader views on blue growth, especially the concepts of Blue Economy and Blue BioTrade. Both Blue Economy and Blue BioTrade have been used in a variety of ways across the globe to describe sustainable economics from marine resources and the marine area. Blue Economy has broadly focused on promoting sustainable socioeconomic activities that occur in the marine environment and/or generate income and livelihood benefits based on consumption or outputs from the marine environment. For the Caribbean Community, this often translates to sustainable marine fisheries and other seafood harvest, which accounts for over US\$300 million in annual export, employs over 1.3 million people and supports the livelihood over 4.5 million people, and contributes between approximately 0.5 percent and 5 percent of value added to GDP of CARICOM countries.

The Caribbean Challenge Initiative represents another example of how political willingness to cooperate among SIDS can yield environmental benefits for all participating countries and overcome some of the unique challenges that SIDS face. As seen elsewhere around the globe, when regional clusters of SIDS cooperate to maximize limited resources and capitalize on the potential to improve economies of scale, national and regional conservation goals can be accelerated.

## Case Study: Seychelles and Mauritius Joint Management Area

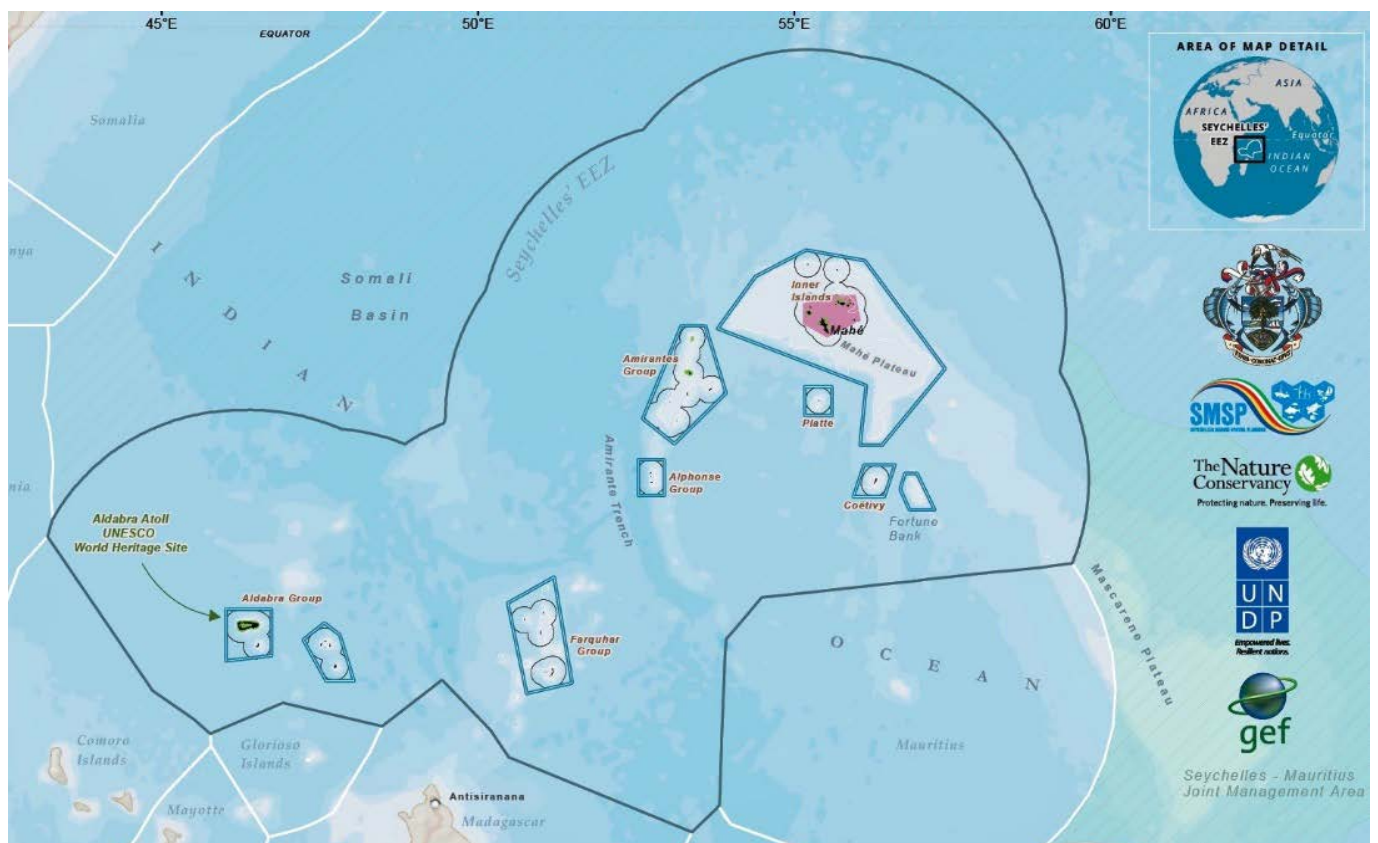


Figure 1: Map of Seychelle's EEZ. Source: [msp.ioc-unesco.org/world-applications/africa/seychelles](http://msp.ioc-unesco.org/world-applications/africa/seychelles)

In the southwest Indian Ocean, the island nations of Seychelles and Mauritius worked together on a submission to the United Nations Convention on the Law of the Sea (UNCLOS) that requested for joint jurisdiction over an extended continental shelf of 396,000 square kilometers in the Mascarene region outside the border of their two respective Exclusive Economic Zones (EEZs), also known as an area beyond national jurisdiction (ABNJ) (Figure 1). Approved in 2011 by UNCLOS, Seychelles and Mauritius now have sovereign rights to jointly manage and exploit the seabed and subsoil of the Joint Area that is roughly the size of Germany.

This unprecedented example of cooperation empowers Seychelles and Mauritius to jointly manage the extended continental shelf, including shared oversight and/or exclusion of exploitation or research of this ABNJ's natural resources without the express consent of the both countries. This effectively places a previously high seas area rich in mineral and other non-living resources as well as rich benthic biodiversity under perpetual long-term management in the best interest of adjacent sovereign areas.

To support continued cooperation among the two island countries, a Joint Management Committee has been established. This Joint Management Committee also oversees marine spatial planning efforts that facilitate adaptive management systems and an integrated framework for ongoing monitoring. This joint-management structure is a good example of the leveraged success and collective strength SIDS can have when working together.

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## Global Environment Facility (GEF)

The Global Environment Facility (GEF) has been a strong partner and supporter of sustainable development for Small Island Developing States (SIDS) since it was founded over 27 years ago. In recent years, growing recognition of the vital importance of the oceans to economies and livelihoods in SIDS has increased calls for integrated blue economy approaches. In total, the GEF has provided SIDS with more than US\$578 million in country allocated finance across all focal areas. In addition, SIDS participated in a significant number of regional and global projects and programs that overall totaled an additional US\$ 810 million. GEF finance has leveraged several times that amount in additional resources for sustainable development. The current GEF 7 funding cycle (2018 – 2022) continues to provide strong support and an emphasis on the needs of SIDS and Least Developed Countries (LDCs).

## GEF LME:LEARN

GEF LME: LEARN is a program to improve global ecosystem-based governance of Large Marine Ecosystems and their coasts by generating knowledge, building capacity, harnessing public and private partners and supporting south-to-south learning and north-to-south learning. A key element of this improved governance is main-streaming cooperation between LME, MPA, and ICM projects in overlapping areas, both for GEF projects and for non-GEF projects. This Full-scale project plans to achieve a multiplier effect using demonstrations of learning tools and toolboxes, to aid practitioners and other key stakeholders, in conducting and learning from GEF projects.

This global project is funded by the Global Environmental Facility (GEF), implemented by the United Nations Development Programme (UNDP), and executed by the Intergovernmental Oceanographic Commission (IOC) of the United Nations Educational, Scientific and Cultural Organization. The GEF LME: LEARN's Project Coordination Unit (PCU) is headquartered at UNESCO-IOC's offices in Paris.

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