

STATEMENT BY THE DEPUTY PRIME MINISTER HON. FONOTOE NUAFESILI PIERRE LAUOFO FOR THE HIGH-LEVEL PANEL DISCUSSION ON SMALL ISLAND DEVELOPING STATES ON THE ISSUE OF GRADUATION FROM LEAST DEVELOPED COUNTRY STATUS, JOINTLY ORGANIZED BY UNCTAD AND UNDP IN SAMOA, 2ND SEPTEMBER 2014

Excellencies, Colleagues, Ladies and Gentlemen, ...

- 1. I would like to organize my remarks around the following three areas: **first**, by briefly recalling the history of Samoa's graduation from LDC status, **secondly**, by underlining our mixed feelings about the strength of the notion of 'smooth transition' for graduating countries, **and thirdly**, by calling for a change of focus in SIDS work in the United Nations, be it for those SIDS that are, or have been, LDCs, or for those that never had an LDC history.
- 2. Our graduation history spans 10 years: It began in 2003, and ended recently, in 2013. In 2003, the UN Committe for Development Policy (CDP) observed enough progress in our per capita income and human assets performance to foresee the likelihood of our graduation from LDC status. In accordance with the graduation rule, the CDP indicated that a recommendation to graduate Samoa would be a natural development if the same performance was to be observed again three years later. Indeed in 2006, the CDP did confirm our progress under the same LDC criteria, and as anticipated, it recommended our graduation, which according to UN procedure would happen three years later.

The Economic and Social Council (ECOSOC) did not endorse this recommendation until July 2007, after a year of debate during which we voiced our reservations about a graduation rule that was making it possible that, countries –such as ours-- with recognized world records of vulnerability could be so easily upgraded from LDC status.

The basis of such a graduation rule unambiguously accepted the superiority of the per capita income criterion over the vulnerability criterion - something unjustifiable from our viewpoint. The General Assembly, in December of the same year 2007, in turn endorsed our graduation, thereby making it a final decision by the UN.

3. Unfortunately for Samoa, a major natural disaster severely hit our nation in September 2009, only two years after we had voiced our concern about the insufficient importance attached by the UN to the vulnerability criterion. The General Assembly, in a resolution adopted in September 2010, postponed our graduation in order to enable us to secure the widest possible support for our reconstruction. That resolution delayed to January 2014 our exit from the LDC category. We are today the latest graduate in LDC history.

4. These are the facts, Ladies and Gentlemen, and they are now history. We do not regret anything, neither our past LDC status, nor our graduation from it. Our natural inclination now is to look forward, and looking ahead brings me to make the following observation. We are now in our post-LDC life, and settling into a smooth transition from LDC treatment, something we had been strongly encouraged by the UN to prepare for, during the grace period which preceded our graduation, between 2008 and 2013.

This smooth transition, in concrete terms, means that we hope to retain as many of our LDC benefits as possible, so that our continued development efforts are not disrupted. In reality, the LDC benefits we were enjoying were few, and they never weighed heavily among the factors of our economic progress. Samoa did not enjoy much preferential market access through LDC treatment, the preferential market access we have been enjoying was granted to us by virtue of special arrangements –mainly with Australia and New Zealand— that had nothing to do with LDC treatment. We appreciated LDC benefits such as UN-related travel funding by the UN Secretariat, or trade-related technical assistance through the Enhanced Integrated Framework for LDCs, but these have never been engines of our economic progress. Accordingly, our change of status would obviously not have been a rough landing, and indeed, 'smooth transition' is a notion we prefer to consider with reference to the future rather than with reference to the past: what support do we need from outside, as a SIDS, in our quest for continued progress?

5. Samoa graduated from LDC status, but SIDS is something we will never graduate from, as we will always be a small island nation. And the external risks we are vulnerable to will also continue to overshadow us, no matter how well we may be doing in our structural progress. In this context, our paramount development goal is resilience-building, a multi-faceted objective with environmental, economic and social implications.

Resilience-building is within our reach in terms of governance and capacity, but it is beyond our domestic means financially and technically. We need stable and predictable external support, and we think that the best possible modalities for such support would be through a few SIDS-specific international support measures. For example, SIDS-specific technical assistance in several key areas of institutional capacity-building is something we are in need of, as well as a special climate adaptation fund for SIDS.

The irony of this is that, we are aware that SIDS-specific international support measures would never come to fruition unless there is total clarity on the beneficiaries, that is to say, a credible and internationally accepted list of SIDS, and therefore a set of sound criteria for defining SIDS. Unfortunately, the UN is some time away from meeting this basic condition, and this brings me now to conclude with a recommendation to the UN system as a whole, a special request by the Government of Samoa as host of this conference.

- 6. The UN system, which has been generous in recognizing our handicaps, should consider Samoa 2014 –and indeed the International Year of SIDS— as the starting point of a new era of SIDS work in the United Nations. Gone are the days of just recognizing the problems of SIDS, the time has come to begin to answer them. Some systemic changes and reforms are necessary to that end, and the UN system is perfectly able to organize these changes, should the political will be there. SIDS are few (less than 30 genuine SIDS), they weigh nothing in the world economy, and extending a little special treatment to them would cost nothing to the international community. If you considered at the same time what this special treatment would mean to our countries, you would see that our request is reasonable. I am sure that, that this request also reflects a common need of SIDS but iterated through the voice of Samoa.
- 7. Thank you, Ladies and Gentlemen, for your kind attention.