

Forum: Economic and Financial Committee (General Assembly Committee 2)

Issue: Creating a framework towards the timely completion of SDG 17 in small island developing States

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Introduction

The dilemma of progress is rather stressful for the most vulnerable of states. Although small island developing States (SIDS), of which there are 57 with 18 of them being dependent territories, lack the necessary resources to benefit from industrialization and continuous innovation, they are the ones affected by its negative side-effects, such as climate change, the most.

The need for such a classification, which came in the 1992 United Nations Conference on Environment and Development, stems from the fact that SIDS share the same unique developmental problems and the fact that they need to work together to successfully meet targets for Sustainable Development Goals (SDGs).

SDG 17 is perhaps the most unique as it serves as a condition for other SDGs to be realised. Focusing on strengthening the means of implementation and revitalising the “Global Partnership for Sustainable Development”, SDG 17 also connects with our overall theme of international reconciliation. Member states must be willing to come to compromises on effective climate deals, loan structurings, and development programmes.

Definition of Key Terms

Small Island Developing States (SIDS): Small island developing States, according to the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries, and small island developing States (UN-OHRLLS), are “a distinct group of 39 States and 18 Associate Members of United Nations regional commissions that face unique social, economic and environmental vulnerabilities”. Below is a map of these states, and it must be noted that the definition of SIDS varies greatly from source to source, but this report utilises the UN-OHRLLS definition. Note that four of them, namely Belize, Guinea-Bissau, Guyana, and Suriname are not island countries.



Figure 1. Osiris, A map showing the Small Island Developing States, with labels in English.

Sustainable Development Goals (SDGs): Sustainable Development Goals are a set of goals set by a global agenda to ensure sustainable development and they cover a very broad range of ideas. Although the agenda item talks about SDG 17, (Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development) the work of this committee will, without doubt, touch upon most of the other SDGs set forth by the United Nations (UN).

Exclusive Economic Zones (EEZs): EEZ refers to the part of the ocean (or any sea body, but solely oceans with respect to SIDS) that is under the jurisdiction of one country, and since the “I” in SIDS stands for island, it can be inferred that SIDS have a lot of EEZ under their control. In fact, according to the UN-OHRLLS, SIDS, on average, have 28 times their country size as their EEZ. This also means that the SIDS rely a lot on their EEZs for economic gain.

Economies of Scale: As a firm or country increases its production, the average cost per output will fall until it reaches a point where the cost is at minimum. However, to achieve this the firm or the country must have vast human and physical resources (thus “of scale”), both of which SIDS lack. This lack is one of the many reasons why economic welfare is hard to attain in SIDS.

General Overview

We shall discuss SDG 17 and how it connects to SIDS. For this, we must dive deep into both the indicators of SDG 17 and their connection to the SIDS.

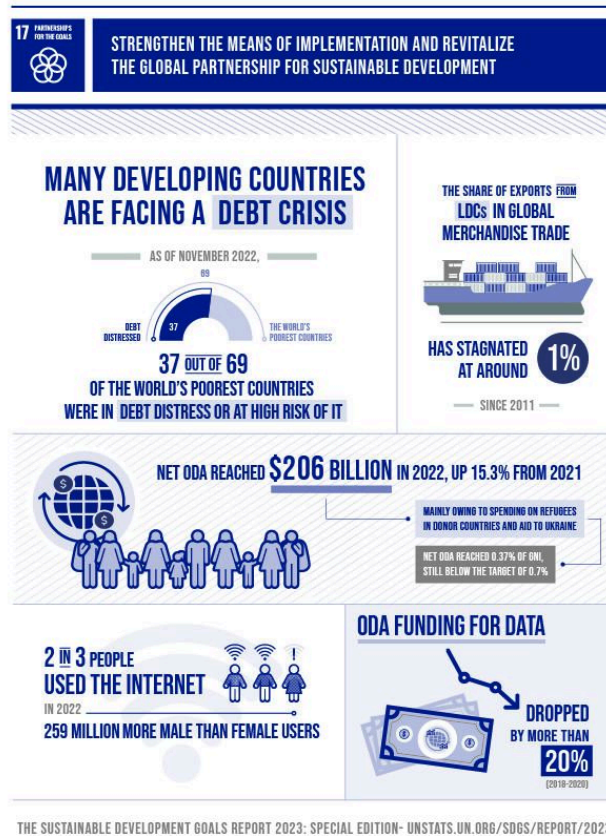


Figure 2. United Nations. *SDG 17 Infographic*.

Above, you will find the official UN infographic on SDG 17. Although it is a very shallow graphic, it serves as a good starting point for our points of discussion.

Resources and Economies of Scale

One of the greatest problems that SIDS face is their lack of resources. As their land masses are unusually small, SIDS lack the necessary resources to build the effective and productive infrastructure needed to both extract and utilise their resources. Furthermore, as they are increasingly more susceptible to natural disasters, the little infrastructure that already exists in the islands is also at risk.

Looking at target 17.1, we can see that “strengthen[ing] domestic resource mobilisation, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection” is one of the many aims of SDG 17. This entails the effective use of resources, including those gathered by taxation, for reinvestment into the country. However, because of their small populations, any public expenditure becomes significantly overpriced per head.

This lack of economies of scale means that every operation in SIDS costs more than they would cost in any other country. Especially for those with high fixed costs, the upfront costs, such as communication infrastructure are therefore relatively extremely expensive.

However, it does not have to be this way. We know for a fact that Research & Development (R&D)

investments pay off by making economies of scale possible at smaller output/user levels. International support that is stressed throughout SDG 17 might come into play here. Economically developed countries that have the luxury of investing in R&D must make an effort to help SIDS utilise such technologies as well.

Target 17.7, “promote the development, transfer, dissemination, and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed”, entails the fact that such R&D efforts must be disseminated with preferable terms for SIDS. However, it also touches on the importance of environmentally sound technologies (EST) for SIDS and sustainable development as a whole.

Climate Challenges and Other Environmental Hazards

We have previously discussed how vulnerable SIDS are to climate change. This section solely builds up on that claim and explains in what ways that SIDS are affected by this unfortunate circumstance. Furthermore, we shall dive deeper into specific environmental hazards that these countries face.

SIDS are disproportionately affected by anthropogenic, man-made, climate change to the degree that it is a truly existential crisis for some. *Thomas et. al.* states that “several low-lying Pacific Islands in the Solomon Islands and Micronesia have already been lost and more are experiencing severe erosion due to sea-level rise since the mid-twentieth century”. Loss of a portion of land mass to rising sea levels not only represents a loss of physical land but also a loss of intangible cultural heritage.

Research also indicates that climate change will result in potable water stress, a threatening phenomenon considering the fact that most SIDS are some of the most densely populated areas in the world. Furthermore, the risk posed on infrastructure by climate change only adds up to the risk as diseases such as dysentery find suitable environments for them to thrive in.

As the land fails to provide islanders with adequate options for sustenance, the bulk of most of the SIDS’ economies depend on the ocean. However, risks such as ocean acidification, overfishing, and marine heatwaves further endanger their sustainability. As such, it is necessary for SIDS and related parties to take steps to protect marine ecosystems.

Debt

We have previously discussed how SIDS lack the necessary devices to generate sustainable income, and yet how they have unusually high costs of operation for most of the governmental services and infrastructure they need to function. Adding on to this, as SIDS virtually lack any industry at all, SIDS are dependent on imports for sustenance. Furthermore, SIDS are in extreme need of development programs. All this leads up to the fact that SIDS are dependent on foreign assistance. Although it sometimes comes in the shape of direct aid, with no economic strings attached, it usually comes in debt programs, which may include impossible-to-achieve demands.

A report, published by the European Network on Debt and Development (EURODAD) found that “31 out of 37 (*note that the classification for SIDS differs from source to source*) small island developing States (SIDS) countries are in a critical debt situation, and are having to cut public budgets over the next three years”. Furthermore, it also showed that “small island developing States (SIDS) have spent 18 times more in debt repayments than they receive in climate finance” indicating that the debt systems in place against SIDS result in a less equitable distribution of the costs of climate change.

As these mounting debts cripple the already weak economies of SIDS, it also limits their national sovereignty. Countries such as China, the United States, and international organisations such as the International Monetary Fund and the World Bank have regularly been accused of inhibiting national sovereignty by the conditions they put on such loans.

Major Parties Involved and Their Views

Small Island Developing States (SIDS): As a group of countries that share unique developmental challenges, SIDS are on the battlefield of climate change. Although it is beyond the scope of this chair report to discuss every single SIDS view on the issue, a general summary can be provided.

SIDS, in the SIDS Accelerated Modalities of Action (SAMOA) Pathway, have stated that they “reaffirm our [their] commitment to the sustainable development of small island developing States. This can be achieved only with a broad alliance of people, governments, civil society, and the private sector all working together to achieve the future we want for present and future generations.” They have further stated that “small island developing States remain a special case for sustainable development in view of their unique and particular vulnerabilities and that they remain constrained in meeting their goals in all three dimensions of sustainable development. We recognize the ownership and leadership of small island developing States in overcoming some of these challenges, but stress that in the absence of international cooperation, success will remain difficult”.

As such, it can be said that SIDS recognize their leadership role in combating climate change and the necessity for international cooperation in all areas to succeed in sustainable development.

United Nations (UN): It is an international organisation made up of at least 193 countries that aims to achieve peace in our time, equitable development, and the betterment of humankind. For the attainment of these goals, the UN takes the leading role in collective international development.

UN’s work with the SIDS are done via the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and small island developing States (UN-OHRLS). As previously discussed, the definition and criteria for SIDS came about in the 1992 United Nations Conference on Environment and Development in Rio, Brazil. Afterwards, the UN released three different programmes of action in support of SIDS: the Barbados Programme of Action (BPoA) of 1994 “reaffirmed the principles and commitments to sustainable development embodied in Agenda 21

and translated these into specific policies, actions, and measures to be taken at the national, regional and international levels”, Mauritius Strategy of 2005 that addressed the gaps in BPoA, and the SAMOA Pathway in 2014. These programmes have also resulted in the creation of the Multidimensional Vulnerability Index for SIDS (MVI), which helps to calculate and best respond to the specific challenges and vulnerabilities posed to SIDS.

Furthermore, most SDGs, including SDG 17, include special references to SIDS, owing to their unique developmental problems and need for assistance.

Timeline of Events

Delegates must note that this issue entails 57 SIDS and many stakeholders, and details regarding specific states cannot be included in this section.

<p>3-14 June 1992</p>	<p>1992 United Nations Conference on Environment and Development in Rio, Brazil is held. SIDS and Article 21 are among the issues that were debated for the first time.</p>
<p>26 April-6 May 1994</p>	<p>The first Global Conference on the Sustainable Development of small island developing States is held in Bridgetown, Barbados. The conference adopts the BPoA.</p>
<p>26 August - 4 September 2002</p>	<p>World Summit on Sustainable Development is held in Johannesburg, South Africa. Johannesburg Plan of Implementation (JPOI) stated that “although they [SIDS] continue to take the lead in the path towards sustainable development in their countries, they are increasingly constrained by the interplay of adverse factors”.</p>
<p>2005</p>	<p>Mauritius Strategy is adopted to make BPoA a reality.</p>
<p>27 July 2012</p>	<p>The General Assembly adopts resolution A/RES/66/288, titled “The Future We</p>

	Want”. Paragraphs 178-180 highlight the SIDS. The resolution “reaffirm[s] that small island developing States remain a special case for sustainable development given their unique and particular vulnerabilities, including their small size, remoteness, narrow resource and export base, and exposure to global environmental challenges and external economic shocks, including to a large range of impacts from climate change and potentially more frequent and intense natural disasters”.
1-4 September 2014	The Third International Conference on Small Island Developing States is held in Apia, Samoa. The SAMOA Pathway is adopted.
24 July 2023	The Secretary General’s third annual report on SIDS is published.

UN Involvement

Chief Executives Board of the United Nations (CEB) states that “CEB responded to such calls for SIDS related system-wide coordination in the preparation and follow-up to United Nations conferences and summits, by developing joint contributions and enhanced United Nations system-wide coherence in the implementation of agreed outcomes”, and although this is true, the many meetings that were held between concerned parties are yet to give SIDS are concrete insurance for their future as we navigate through the new age of industrialization and climate change.

Furthermore, the Joint Inspection Unit (JIU) in their report “Comprehensive Review Of United Nations System Support For Small Island Developing States: Final Findings (JIU/REP/2016/7)” have provided the UN System with various recommendations.

Relevant UN Documents

Comprehensive Review Of United Nations System Support For Small Island Developing States: Final Findings, 2016 ([JIU/REP/2016/7](#))

SAMOA Pathway, 4 September 2014

The future we want, 27 July 2012 ([A/RES/66/288](#))

Treaties and Events

- United Nations Framework Convention on Climate Change
- Transforming our world: the 2030 Agenda for Sustainable Development ([A/RES/70/1](#))

Evaluation of Previous Attempts to Resolve the Issue

We have talked quite a bit about the previous pathways established. We have also touched upon the more recent, innovative ways to tackle issues that SIDS face such as the MVI. Although it is evident that they are of some use, it's doubtful that anyone would go ahead and claim that the unique developmental challenges faced by SIDS have been all solved. Unfortunately, most of the reports continue to highlight the lack of international help with regards to the development of SIDS. Effective management of foreign aid and diversification of financial resources in order to provide sustainable financial flows for sustainable development are needed, something that scholars of development economics find missing in most of the SIDS.

Possible Solutions

Financial Efforts

We have previously established the importance of resources and the attainment of economies of scale for a country's development. We must investigate ways to encourage financial development in SIDS, and find new innovative ways of industrial development that can accommodate the needs of SIDS. Delegates might find it useful to refer to international organisations such as the International Bank for Reconstruction and Development (IBRD) that provide interest-free loan packages for projects aimed at strengthening a country's development. Special Drawing Rights (SDR) from the International Monetary Fund (IMF) could be provided for these countries in order to fund their own development projects.

A very intriguing possibility is the establishment of an international carbon credits market. This would not only help combat climate change (another dangerous prospect for SIDS), but also offer SIDS an opportunity to raise funds by selling their carbon credits. The specifications of this prospect should be discussed in the committee, however; many experts have suggested that countries should be given a

certain amount of carbon credits depending on their populations and a variety of factors, and they should be allowed to exchange carbon credits with any other countries in a free market system. A mechanism to ensure that countries abide by the provisions of this market and do not exceed their credit is also necessary.

Climate Issues

Combating climate problems falls not on the SIDS, but the industrialised countries. Although an international carbon credits market may uplift the economies of some SIDS, it still results in carbon emissions. Even if SIDS are handsomely compensated for the effects of climate change on their countries, it will not change the fact that their very existence will continue to be threatened. Delegates must go beyond compensating the effects of climate change into actually combating it. However, it has been seen in our world that such efforts are yet to yield effective results. Perhaps, it is a time for a change in philosophy and for SIDS to be supported in creating resilience mechanisms against climate change. Grand-scale dykes can be build across vulnerable areas, polders can be used to reclaim land (although this is especially challenging as ocean currents can damage the process), desalination plants could be constructed, and more resilient infrastructure could be built. These projects will require tremendous effort, as such an effective management of resources must be in place, perhaps in coordination with the UN-OHRLLS.

Notes from the Chair

This topic might seem rather intangible, as there is no physical problem at hand to address. There is just the phenomenon that needs to be understood. However, that should not be a problem. If delegates have a question regarding how to tackle this phenomenon, they should feel free to contact the chair.

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