



PERMANENT MISSION OF SAMOA TO THE UNITED NATIONS
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Comments
by
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at 4th substantive meeting of the
Ad-hoc working group to further study and strengthen the smooth transition
process for countries graduating from the LDC category.
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"Turning challenges into Opportunities
through genuine partnerships"

Distinguished Co-Chairs,
Dear colleagues and friends,
Ladies and gentlemen,

Thank you for the invitation to make some brief comments on Samoa's experience as a country that is in the **transition phase** before it graduates from the LDC category on **1 January 2014**.

I have decided to title my brief intervention "***Turning challenges into opportunities through genuine partnerships"***

Let me give you some dates to help contextualize my input.

- In **2003**, the Committee for Development Policy [CDP] found Samoa eligible for graduation.
- In the subsequent triennial review in **2006**, the CDP confirmed that Samoa had met two graduation criteria (*GNI per capita and Human Assets Index*) and thus qualified for graduation.
- A year later in **July 2007**, the ECOSOC endorsed the recommendation of the CDP that Samoa graduate from the list of LDCs.

- And in the same year in **December 2007**, a UNGA resolution took note of the decision of ECOSOC to graduate Samoa.
- Thus in effect, the **3-year transitional period** for Samoa commenced on **17 December 2007**, with graduation from the LDC category scheduled towards **the end of December 2010**.
- **Yet barely fifteen months before Samoa was due to graduate**, a deadly tsunami in **September 2009** demolished our island's infrastructure and claimed 143 innocent lives, mainly women, the elderly and children.
- The losses we suffered as a result of the tsunami, combined with the severe contractions our economy was already experiencing due to the global recession of 2008, resulted in the General Assembly deciding on **7 September 2010** to extend the transition period for Samoa, once more, until **1 January 2014**.
- Thus with this second extension, our new and final transition period before we graduate from the LDC category is from **January 2011 to December 2013**.

Are there any Lessons to be learned from our experience during this period;

Well, I won't call them critically important, but they are not insignificant either.

- Bear in mind that the first decision by the General Assembly to graduate Samoa was taken in **2007**, i.e. just months before the **world economic crisis peaked in 2008** and almost **two years** before the **tsunami struck in 2009**.
- My take-away from all this is a subtle reminder to you and I, that while man through the work of the **CDP** can make recommendations, **ECOSOC** to approve and endorse same, and the **UN General Assembly** to note and associate with the various decisions, **nature rules supreme and cannot always be influenced or coerced to comply**.
- Secondly, the global recession and the tsunami, both contributing causes for the decision to defer Samoa's graduation to **January 2014** represents a combination of a **natural cause** in the form of the **tsunami**, and a **manmade disaster** in the form of the economic recession - underscoring again that no one type of cause, **natural or manmade**, has a monopoly in disrupting plans and even progress.
- Thirdly, because Maldives also went through similar circumstances when its graduation had to be deferred after nature intervened through a tsunami, this validates what Samoa has always come to believe in that **our LDC status**, in more ways than one, **is a consequence of our being a Small island developing state**, and not the other way round.

Now Let's talk about our "Smooth transition strategy" in terms of what we have done, and what has to be done?

Last year was our first year under the renewed transition period, but

- **2011 was also our General Election year.** For us, we felt it was important to wait until a government has been installed and its priorities for its tenure finalized.
- As well, there wasn't that much pressure, I guess because we still have some time to put together a smooth transition strategy in the remaining years, i.e. in 2012 and 2013. Three years, after all, is a long way and we do not want to have our strategy completed in the first year only to be asked to redo it over and over again given the fragility and unpredictability of our global political and economic architecture.

But hear me out.

While Samoa, technically, has not prepared a "**dedicated**" **Smooth transition strategy** in the **specific context of Samoa's graduation** as per the **UNGA resolution 59/209**, for all intents and purposes, we already have in place an **integrated national Government strategy** that focuses on priority areas like;

- trade – preferential market access,
- Development financing – ensuring as much as possible that our partners provide development assistance through budget support – hence the encouragement of using country systems.
- Trade-related Technical assistance
- paid or subsidized travel for conferences representation etc.

Importantly, our Government made sure that the development of country strategies of the different development partners **all addresses the issue of graduation**. In fact in a roundtable with Samoa's development partners in December last year, our Government requested and received undertakings from all present that their support pre-graduation will not change come 2014 as all partnership agreements are performance-based.

Some obvious questions to ponder over.

Do we need a smooth transition strategy?

The answer is a resounding **YES**.

But why?

Because an effective "transition strategy" would be beneficial to Samoa, and its preparation and subsequent adoption under a "**Samoa International Partnership type arrangement/setting** will;

- provide a unique opportunity for Samoa in the presence of all its development partners to **thank them individually and collectively for the support**

without which this important milestone in Samoa's economic development would not have been realized;

- allows for a comprehensive and focused dialogue with our development partners and all relevant stakeholders in the "**specific context**" of Samoa's **graduation from the LDC category**;
- based on an analysis of what the key areas of impact from graduation would be, our partners could indicate what benefits, support and trade preferences can be retained beyond 31 December 2013, for how long, and on what conditions etc;
- such a matrix of undertakings will provide Samoa with some certainty, help to identify gaps in level of assistance required against those pledged, and facilitates government's forward planning to minimize any negative impacts.
- A Smooth transition strategy also allows Samoa to re-enforce old partnerships and discover new partners and friends, foundational blocks so critical to ensure sustainability of Samoa's newly acquired economic status.

THE WAY FORWARD.

First half 2012:

Focus is on an Inventory of benefits and assistance Samoa receives as an LDC.

As a start, we need to know the full range of benefits and assistance Samoa currently enjoys by virtue of its LDC status

Because without this information being made available early in the preparatory phase of the strategy, it will be difficult for Samoa to know from the start what specific support, exemptions and assistance it should request its development partners to continue providing beyond graduation in 2014.

We have therefore requested the Office of the High Representative for LDCs, LLDCs and SIDS to compile all the benefits and assistance, **including their estimated monetary value** Samoa receives as an LDC from the United Nations Secretariat, programmes, funds, entities and agencies. For an inventory of trade-related benefits, we have similarly requested UNCTAD to provide that information for our use.

On non-UN sources, we have sought from our development and trading partners the same information. This way, we will have a **comprehensive picture of the different types of assistance currently being availed to us and their estimated cost** to give us a fuller appreciation of the potential impact the sudden or gradual discontinuation of some of these benefits could have on our **national budget and overall economic development.**

Second half of 2012

Preparation of Smooth Transition Strategy

Once the full inventory of assistance available to Samoa has been completed, the next phase will be the preparation of the smooth transition strategy itself.

In terms of the necessary consultations required, Samoa will work through its sector committees and focused on what impacts of graduation might be. Sector consultations are then fed into sector plans and program action plans. All the major stakeholders (government, private sector, civil society and development partners) will be involved.

First half of 2013.

Sharing of the Smooth transition strategy with partners and consolidating of same.

Once the draft strategy is completed, it will then be shared with the main stakeholders especially the development partners for their input and also to give them a heads-up and advance warning so that they will be in a position to provide an honest and realistic contribution to the strategy including definitive suggestions, and/or commitments to give the necessary level of comfort to the Samoa government that it did all that was required of it to ensure that the strategy is owned jointly by Samoa and its development partners.

Second half of 2013

Partnerships Roundtable

Samoa's smooth transition strategy will be a living document. It will be adapted, molded and adjusted to suit changing circumstances.

A roundtable OR partnerships meeting between Samoa and all its development and trading partners under the same roof will be the culmination of all these efforts, the first such Donor's conference of its nature for Samoa to host.

The primary objective of this window of opportunity is to utilize it to get frank and honest feedback from all the partners in terms of their ongoing support to Samoa in the post-graduation period. The assurances and commitments from the

