

**Opening Statement by  
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MINISTER OF FOREIGN AFFAIRS OF GRENADA  
SMALL ISLAND DEVELOPING STATES INTER-REGIONAL MEETING  
UNITED NATIONS, NEW YORK, 8 May 2010**

**CHECK AGAINST DELIVERY**

Distinguished representatives,  
Ladies and gentlemen,

It is my pleasure to be among you here today, on occasion of the small island developing States Inter-regional meeting. This meeting will offer us the opportunity to take stock of the outcomes of the three regional five-year review meetings of the Mauritius Strategy of Implementation, and to build on them with a view to identifying initial draft elements for the Political Declaration of the high-level meeting that will take place on the 24<sup>th</sup> and 25<sup>th</sup> of September 2010.

Distinguished representatives,  
Ladies and gentlemen,

While the economic and ecological vulnerabilities of small island developing States are shared by many developing countries, they affect small island developing States in ways that magnify the risks and therefore demand greater and more urgent action.

Despite the increasing global recognition and significance attached to the sustainable development of small island developing States, international action towards the execution of the Mauritius Strategy of Implementation (MSI) in the past five years has bared mixed results. Although the primary responsibility for the implementation of the MSI lies first and foremost with small island developing States, assistance from the international community is also imperative.

The five-year review process of the MSI is of the utmost timeliness, offering us the opportunity to take stock of what has happened during the past five years, and helping to guide our future actions. The MSI+5 regional review meeting that I had the honor to co-chair alongside the United Nations Under-Secretary-General for Economic and Social Affairs, Mr. Zukang Sha, occurred against the backdrop of the catastrophic earthquake that struck our sister island of Haiti on 12 January 2010, causing the loss of life of tens of thousands of the citizens of that country, as well as the devastating the country's physical infrastructure and productive capacity. A startling reminder of the vulnerabilities that our small States are confronted with.

Small island developing States currently encounter various socio-economic challenges in implementing the MSI. The current world recession has compounded these challenges. We believe that a concerted effort must be made to improve social safety nets using a more targeted approach for the most vulnerable, particularly the youth, the elderly, the disabled and female headed households.

Cognizant of the opportunities that exist for increased intra-regional trade, our countries must move away from narrow trade specialization into more diversified economies driven by increasing value-added exports, innovation and heightened competitiveness.

Despite the designation of many of our countries as upper-middle/high income, poverty and social exclusion still exist and are fuelled by low economic growth, macroeconomic shocks and limited provision of social services. This persistence of poverty, especially among female-headed households, the elderly and immigrants, is clearly a cause for concern and an impediment to the implementation of the MSI.

At the same time we share the concern for the lack of adequate data to properly assess progress towards the Millennium Development Goals and to inform evidence-based policies.

We are aware of the importance of human capital development in successfully implementing the MSI; as a result we are increasingly concerned about migration out of the region, especially of highly skilled persons as it has the ability to erode some of the development gains made, particularly in health and education.

Building domestic capital, in the form of human capital, savings and institutions, is vital to increasing the capacity of small island developing States to build resilience and reduce vulnerability. This requires the expansion of training in science and technology and the building of national systems of innovation through knowledge management. In this process we believe the collaboration of the international institutional partners is vital.

Distinguished representatives,  
Ladies and gentlemen,

Although Grenada has made progress towards improving its social indicators over time, the cumulative effect of a number of crises threatens to erode past gains, and poses serious challenges to reducing poverty in our country. Since 2001, recurring external shocks and natural disasters have contributed to an increase in poverty. Hurricane Ivan in 2004 caused significant damage, equivalent to an estimated 200% of Gross Domestic Product. The negative impact of Hurricane Emily compounded household hardship the following year, with damage estimated at 13% of GDP.

In 2007, the fuel and food crisis that emerged gave rise to sharp increases in food prices, and also caused declines in average real household incomes and heightened poverty levels. The situation is now being compounded by the Global Economic Recession which has weakened Grenada's near and medium term economic prospects, through its constricting impact on tourism receipts, foreign direct investments (FDI), remittances and government revenues.

Since 2006, Government has been undertaking a number of measures aimed at rehabilitating the economy, restoring macroeconomic stability, and reducing poverty. These efforts have been supported by a number of our development partners, including the Caribbean Development Bank (CDB). Support has also sourced from the International Monetary Fund (IMF) within the context of a Poverty Reduction and Growth Facility programme, under which significant gains have been made, especially since the middle of 2008.

The Government of Grenada also intends to lead by example in the area of Energy Conservation, and has embarked upon an Energy Conservation and Energy Efficiency Education and Sensitization Programme.

In its current capacity as Chair of the Alliance of Small Island States, Grenada has also been spearheading efforts to raise awareness of the impacts of climate change on SIDS, including prior to the Copenhagen summit in December, and will continue to do so as we move towards COP-16 in Mexico.

Distinguished representatives,  
Ladies and gentlemen,

The future successful implementation of the Mauritius Strategy of Implementation requires renewed commitments and effective partnerships at all levels. Coordination of activities, including donor initiatives, is essential. New and additional resources are critical to making the difference.

I hope that the outcome of this meeting will provide a sound basis for further action by all partners and stakeholders. Grenada is committed to doing its part. We invite others to join in our collective efforts to make sustainable development an achievable goal for our island communities.

I look forward to a productive and fruitful meeting.

Thank you.