



# Commonwealth Heads of Government Meeting

Malta, 25-27 November 2005

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## **GOZO STATEMENT ON VULNERABLE SMALL STATES**

1. We, the Heads of Government, reaffirm our longstanding and dedicated commitment to small states, which constitute a majority of our membership, recognising their particular challenges and vulnerabilities. We also reaffirm that the Commonwealth will continue to be a strong advocate for vulnerable small states and their concerns.

2. We are conscious that small states face well-recognised vulnerabilities, and that they are now confronted by new challenges. These include faster-than-anticipated erosion of preferential trade access arrangements; rapidly growing debt burdens; additional demands and compliance costs associated with global efforts to combat terrorism; increased environmental risks associated with more frequent and severe natural disasters; the spread of HIV/AIDS and its impacts; and rising levels of youth unemployment.

3. We recognise the significant efforts that small states have made within the limits of their resources and capabilities to build levels of resilience to their vulnerabilities. We note in particular that small states are taking action to stabilise and diversify their economies, and we pledge our support and assistance to these continuing efforts.

4. We urge the international community to take stronger and more effective action to help vulnerable small states address the problems associated with reform and diversification. We stress the importance of due recognition being given to vulnerable small economies and their unique circumstances in the work of the World Trade Organisation. Likewise, we emphasise the importance we attach to tax and fiscal sovereignty, transparency and inclusiveness in the dialogue between the Organisation for Economic Cooperation and Development and international financial centres in non-OECD jurisdictions.

5. We recognise that natural disasters can have a disproportionately greater impact on small states and their economies than is the case in larger states. The Indian Ocean tsunami, which destroyed a large part of the Maldives' economic and social infrastructure, and recent hurricanes in the Caribbean, have amply demonstrated the devastation that can be caused. Hurricane Ivan virtually destroyed the entire economy of Grenada. We call for continued Commonwealth financial assistance to Grenada and other affected countries

for reconstruction and rehabilitation. We also extend our solidarity and support to Grenada, Maldives and other Commonwealth small states in seeking to strengthen their disaster preparedness and post-disaster responses, and call for a strengthening of international responses to these needs.

6. We also recognise the particular vulnerability of small states to the impacts of global climate change, including sea-level rises and fresh water management issues. We urge the international community to develop appropriate responses to these challenges as a matter of priority.

7. We welcome the outcome of the Mauritius International Meeting of January 2005 and commit ourselves to taking forward the resulting Mauritius Strategy for the further implementation of the 1994 Barbados Programme of Action. We acknowledge the Review in 2005 of the Commonwealth Secretariat/World Bank Task Force Report of 2000, and mandate the Secretary-General to pursue consultations on the findings of the Review so as to ensure ownership of the recommendations by small states.

8. At the same time, we urge that practical action be taken to implement recommendations of the Mauritius Strategy. In this context, we reaffirm our support for the Secretariat's assistance to Commonwealth small states through practical programmes of advocacy, policy development and capacity building.

9. There is a pressing need for firm, sustained and suitably resourced responses to the challenges and vulnerabilities of small states to mitigate disturbing emerging trends such as increased drug trafficking and other forms of criminality, and illicit migration. Placing economically vulnerable small states on a firmer path to prosperity and security is therefore in the longer term interests of all states. We renew our determination to assist our Commonwealth small state members along this path.