ISLAND DEVELOPING AND OTHER SPECIALLY DISADVANTAGED MEMBERS

The Problems of Small Island States

Text of a statement by the Prime Minister of Solomon Islands submitted for circulation

The problems of small island states have been examined in some detail and much discussed in recent years. As a direct result of Britain's history of world naval supremacy during the nineteenth century, the Commonwealth contains a high proportion of the world's small island states. With the achievement of independence by Kiribati only a few weeks ago, 15 out of the 41 independent Commonwealth countries are small islands with populations of less than one million. In addition there are some 15 other small island territories, many of them due to become independent in the next few years, which are at present dependencies or Associated States. There is the prospect, therefore, that within a few years time something like one half of all Commonwealth members will be small island states with populations of less than one million.

Though I am here at this meeting as one from an island state, I would not like us to forget the small mainland states, of which there are at present four independent Commonwealth members with populations of less than a million. Their problems are in many ways similar to those of the small island states. The fact is, the Commonwealth contains a very high proportion of the world's small developing countries. The problem of small states is not peculiar to the Commonwealth, but it is one with which the Commonwealth is particularly concerned. I would like to suggest therefore that Commonwealth members and, in particular, the Secretariat, take practical steps—I want to emphasise the word *practical*—to mark their concern with this problem.

Thanks largely to the work done by the Secretariat and by the South Pacific Bureau for Economic Co-operation, the special problems of small states have been clearly identified. These problems are all in addition to the problems faced by developing countries in general. They include lack of natural resources, small internal markets, great distances from major world markets and high costs of transport. Many of us are archipelagos scattered over large areas of sea with very high internal costs of transportation and communication. When it comes to international negotiations, particularly in the field of trade, our negotiating position and, for that matter, our negotiating skills are both weak. We even lack knowledge of what is going on. CFTC has been helping us greatly with its bulletins, but we feel we need more support in trade and other negotiations.

In our administrative and technical services we suffer terrible diseconomies of small scale, to adapt the economists' jargon. We can afford to have only a very limited range of specialist expertise " in-island ". Our small staffs have to try to fulfil a wide range of functions. We need quite frequently to bring in outside expertise on a short-term basis to help us with such things as the negotiation of joint venture agreements with large-scale foreign investors, revision of our mining and oil exploration legislation, examination of our treaty obligations, advice on the most cost-effective methods of surveillance and enforcement in our 200 mile fishing zone. This is just to name some of the things on which we in Solomon Islands have already received invaluable assistance from TAG, the Technical Assistance Group of the CFTC.

There are other fields in which small islands are likely to need help in the future, such as the negotiation of air traffic rights, advice on energy supplies and above all project preparation and evaluation. The Technical Assistance Group started with a limited range of expertise, but has been steadily widening its scope, while still remaining small and unbureaucratic in its operations. We greatly value its assistance for several reasons. It is quick and flexible in its response. The quality of the expertise provided is higher than that which we can normally obtain from the other multilateral organisations and we appreciate the continuity in the personnel who come to help us with some of our long-standing problems, such as the negotiation of joint venture agreements.

We would like to see the scope of the Technical Assistance Group expanded. We would like it actively to investigate in what areas it can most usefully provide its services to small states and to keep us informed of the range of services it has available. We very much hope it will be possible for TAG to remain unbureaucratic and flexible while appreciably expanding its help to small island states.

There is another important area where small islands have special problems and that is in their dealings with the aid donors, both bilateral and multilateral. Again the Secretariat and the South Pacific Bureau for Economic Co-operation, in a publication called *More Effective Aid*, have identified these problems. The main problem is not the volume of aid that we small islands receive. We are, in the main, generously treated. It is rather the form of the aid that we get, the way it is administered and the attitudes of the donors which present us with problems.

Many of our projects are too small to be of interest to most donors and, in any case, we often need programme aid rather than project aid. We need programmes covering a range of activities, if development of our rural areas is to be effective and these programmes have to be flexible. Our administrations are very small and project evaluation and aid procedures devised with much larger administrations in mind impose a very heavy burden on us.

The recurrent cost implications of many capital projects, especially in the early years, are often high and impose an intolerable burden on our recurrent budget, unless assistance is provided to help with these costs in addition to the straight capital costs. Many programmes of a developmental nature such as agricultural extension, village health programmes or adult education have a high recurrent cost as well as a local cost element, which donors are usually very reluctant to provide. Finally, if aid to various sectors of our economies is to be effective we need improved trade arrangements as well as, in some cases, help with better and less costly shipping services.

In other words, the types of aid that small islands need and the ways in which they need to have it administered both tend to differ from the needs of the larger developing countries. Donors have in recent years become aware of these differences and have in many cases begun to make adjustments, but the process tends to be slow. We make our points repeatedly, but our individual voices are small and often go unheeded. We small islands need some better means of co-ordinating and presenting to the aid donors our case for special treatment.

I must say frankly that my Government was disappointed at the outcome of the meeting of officials in London in April to consider the Secretariat Report entitled *The Commonwealth: Its Special Responsibilities to Small States*. We had hoped for much more positive and practical proposals. I have to confess that we were not represented at the meeting and this was true of many other small states. The meeting was on the far side of the world from us and we could not afford the money and manpower to attend: a typical problem of a small state. However, now that we are discussing this problem here in Lusaka, I would like to put forward what I hope you will agree is a practical proposal which will result in positive action.

The Commonwealth small island states form in effect a club within a club. Our small island club is a totally informal one at present. We do not as yet have any club staff, though the Technical Assistance Group in the Commonwealth Secretariat perform some invaluable functions for us. I would like to suggest that TAG, the excellent Technical Assistance Group be renamed SITAG, that is the Small Islands Technical Assistance Group, or, if our friends who are small states on the mainland object, we could rename it SSTAG, or Small States Technical Assistance Group. The proposal is that the Group would be gradually expanded, while still keeping its present character, that it would be specifically concerned with the problems of small states and that it would cover three main areas of activity on behalf of small states. These would be:—

—first, a full range of expert advice provided either by staff in-house or by outside consultants, available on a short-term basis, but preserving continuity of personnel;

—second, a supply of information and practical advice covering international negotiations in such fields as trade, Law of the Sea and, as far as possible, help with representation at conferences on these subjects and other global matters of Commonwealth interest; and

—third, evaluation of bilateral and multilateral donors' aid programmes to small states and co-ordination of pressure by small states to improve the quality of these programmes.

This programme of work would be largely an extension and development of existing work being done by the Commonwealth Secretariat and much appreciated by us. It would draw this work together and it would provide us small states with a focal point, a small organisation which we could turn to as being specifically concerned with our problems and set up to look after our interests. I feel this would be of very real practical benefit to us all.

Supplementary statement

Thank you, Mr. Chairman, for allowing me this opportunity to speak. Before I make my brief observations, may I take this opportunity to express, on behalf of my delegation, Government and people of Solomon Islands, my most sincere thanks to you, your Government and people of Zambia for your very generous and warm hospitality. This is my first visit to Zambia and Africa and may I confess that before setting foot on this great continent I have never felt, in a real sense, the enormity of Africa and the countries here. This visit, therefore, will give me a far deeper and more genuine appreciation of what I was able to learn from reading and meeting in other places of the circumstances here. Of course, there is so much more I have not seen and would have to rely on my own ability to interpret facts and realities from the mass of information and opinions expressed in the press.

I refer specifically to the sufferings and hardships of the continuing war in Southern Africa. To this extent, I do sincerely share the common opposition to allowing this war to go on indefinitely.

Mr. Chairman, let me take this opportunity too, if I may, to express our gratitude to all the members of the Commonwealth for accepting Solomon Islands as a member. Indeed, I am most grateful for your formally welcoming us on the opening session of this conference on Wednesday. We are also very grateful to the other colleagues who joined you in extending to us the warm welcome to, and the friendship of, this great unique organisation.

Mr. Chairman, we had already circulated a paper (HGM (79) (WS) 1) which contains our basic thinking about our various problems and how these problems can be tackled effectively through Commonwealth co-operation. And the many varied problems and constraints to development in small island developing and

specially disadvantaged states have been outlined most admirably in the papers by the Secretary-General, Tonga, St. Lucia/Grenada/Dominica, Papua New Guinea and Fiji. Our colleagues from Fiji and Grenada have also expounded very masterly the measures that collectively we should pursue in trying to meet the special needs of the category of states under discussion and developing nations generally. All I should like to do, therefore, is to endorse the proposal for convening a select committee meeting, as soon as possible or at least before the end of the year, to initiate a concrete and practical programme of action to assist in solving the problems we have been discussing.

Also I should clarify our stand regarding the proposal for the Technical Assistance Group. While we are emphasising the need for this Group to make a more concentrated effort, while retaining its character, to meet the special needs of the small developing states, we should not like other member developing nations to lose any worthwhile assistance they may have been getting from this Group. In other words, there must be a degree of flexibility at least in the initial stages in dealing with such cases. The important factor here is that there must be a focal point in the Secretariat where small developing states can turn to confidently for special treatment. But, Mr. Chairman, we should not like such special treatment or any other form of aid to be a disincentive to our principle of promoting self-reliance.

Now, Mr. Chairman, I should like to make a couple of small observations relating to Item 3 generally. In doing so I am assuming that members will accept that we are a small but human voice. As such, what we say does not derive from any pretence to be a major influence but from our genuine concern for mankind (and womankind) and humanity. Thus I welcome the statements by the Prime Ministers of Singapore and Australia regarding interdependence in the world today. I believe in this growing interdependence. Consequently, I believe that we can no longer live in isolation from one another in terms of international development. It is in this regard that we the small developing states, island as well as land-locked, see our security in international organisations such as the Commonwealth.

Finally, Mr. Chairman, may I, as a distant observer, make a small suggestion about the important Rhodesian issue. I believe we have reached the critical stage, and the chance has now lent itself to this worthy organisation to assist Britain to settle the Rhodesian impasse. I believe, and may I humbly suggest, it is now possible to marry the Tanzanian and British proposals for an acceptable solution. However, I think that beyond those proposals it seems to me to be highly necessary to bring the African leaders of Zimbabwe to talk with each other before any settlement conference with the British Government. It is my sincere hope and prayer that after this historic summit here in Lusaka it will be possible to get over this last hurdle to peace and harmony in Zimbabwe-Rhodesia.

Thank you Mr. Chairman.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August 1979

WORLD ECONOMIC SITUATION

Text of a statement by the President of Kenya submitted for circulation

In discussing the present world economic situation we are obliged to consider the instability which characterises it, and the rather uncompromising attitude on the part of some developed countries towards international efforts to remove inequalities. The stalemate which inevitably results creates a most unsatisfactory situation which directly affects development efforts of our individual countries.

Inflation in developed countries makes our economic growth uncertain, costly and unpredictable. Furthermore, we have noted with concern the continued decline in the rate and volume of transfer of real resources from the developed to the developing countries. Mr. Chairman, few developed countries have attained the UN targets of overseas development assistance. Furthermore the terms of the loans we get continue to be onerous: the practice of tying aid often increases costs of projects and makes meaningful planning virtually impossible. We would therefore hope that out of this Meeting, measures to ameliorate this situation will emerge.

The question of energy is an issue which gravely affects our economies. The increases in oil prices in the last five years have effectively curtailed our capability to meet our development targets. We in Kenya are among the group of countries most seriously affected by this international phenomenon. It is our hope therefore that this Meeting will address itself to this actute problem with a view to reducing the burden it places on young economies such as ours.

We have also noted with concern the deterioration in the terms of trade in the last decade: our exports of agricultural commodities have continued to earn us less and less manufactured goods. The result has been a perpetual balance of payments problem which limits our capability to meet the basic needs of our people. We therefore look forward to the creation of viable mechanisms to counteract this global process. This is why Kenya supports the proposed Common Fund within the UNCTAD framework.

Despite all these adverse pressures, a number of Commonwealth developing countries, including Kenya, are doing their best to diversify their economies by promoting manufactured exports. But here again, Mr. Chairman, we come up against a most formidable barrier to our efforts—namely the growing threat of protectionism. This is obviously one of the most crucial problems facing the world economy today. Unless developed countries are prepared to grant greater access to their markets for products from developing countries on increasingly favourable terms, the world risks entering into an even greater recession than we have witnessed in the last 50 years. We must deal adequately with this problem.

The terms and conditions of the transfer of technology and the process of foreign investment must all be reformed to reflect the growing interdependence of the world economy. Multinational corporations as instruments of direct foreign investment must operate to enhance, rather than hamper, national development efforts of our people.

All these reforms, Mr. Chairman, require a changed political outlook which recognises the common fate of all mankind.

But the current international political scene is also characterised by instability, and we spent yesterday afternoon and this morning discussing various aspects of that instability. We all agree that what is required is concerted action, if the

adverse effects of political instability on humanity are to be alleviated. The suffering by refugees in South East Asia, Africa and indeed the rest of the world should be viewed as a common problem requiring a common approach and urgent action. Current efforts to seek realistic solutions to the refugee problem in South East Asia should be extended to cover similar problems in other parts of the world, especially Africa, which already has more than four million refugees.

The Commonwealth stands for certain definite values. It is not enough for us to keep reminding ourselves of these values. We must have the political courage to make bold decisions whenever these are called for. This is especially urgent in respect of the inalienable rights of a people to independence. Freedom is indivisible. A people are free or not free. Zimbabwe is not yet free, and it is the duty of Her Majesty's Government, in consultation with other Commonwealth Governments assembled here, to provide definite guidelines for a genuine transfer of real power to the people of Zimbabwe. If nothing is done at this conference to cause an end to the killing and suffering in that country, then the high expectations already built up in Africa and in world opinion by the occasion of this conference will not be satisfied. We feel reassured by the remarks made yesterday by the British Prime Minister that Britain will remain faithfully committed to her political responsibility over Rhodesia, and ensure a genuine black majority rule in that country. It is our hope that this bold statement will be followed rapidly by appropriate action to bring legality in Zimbabwe on the basis of an independent constitution transferring real power to the people.

The situation in Namibia also calls for similarly bold action, particularly now that the racist South Africa has finally rejected all attempts by the rest of mankind to establish in Namibia a genuinely free and sovereign society.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August, 1979

WORLD ECONOMIC SITUATION AND PROSPECTS

Problems of Mineral Producers

Text of a statement by the Prime Minister of Papua New Guinea submitted for circulation

The purpose of this statement is not to attempt a review of the world economic situation and the state of dialogue between the rich and poor countries. Much has already been said of a general nature, and I feel that contributions to the debate are likely to be most valuable if they focus on specific issues and possibilities for action.

All developing countries are deeply concerned about the lack of real progress in world economic co-operation, symbolised by the failure of the recent UNCTAD Conference in Manila. In particular, we in the developing countries are alarmed by the possibility that the uncertain outlook for the world economy may lead the rich countries to look inwards—to forget about the poor countries, and to postpone their efforts towards achieving a fairer international order. Such a reaction would be profoundly wrong and dangerous, and would be a complete betrayal of the ideals that the Commonwealth stands for. Every country has its own problems, but if we try to solve them by looking inwards and disregarding the needs and interests of our neighbours we will end up with a world which is not only poorer but far less stable—a world which will be a worse place for everyone to live in, the rich as well as the poor. The Commonwealth as an institution made up of a wide variety of nations at many different stages of development has always sought to broaden the scope of international contact for our mutual benefit. It must continue to exert its utmost efforts in that direction, even in times when the world economic outlook is cloudy.

Against that background, there are many fields of action in which greater co-operation, not less, is urgently needed. I would like to mention one concrete example of international co-operation for development, namely the Lomé Convention on trade and aid between the European Community and the African, Caribbean and Pacific States. I know that this is not of direct relevance to the Commonwealth as such, because there are some countries that belong to the Commonwealth but are not involved in Lomé. All the same, I think the matter is worth raising because it affects the common interests of a number of Commonwealth countries, and I believe that one of the great advantages of these meetings is that we can raise such matters of concern on an informal basis.

The present Lomé Convention expires in a few months, and the long negotiations on a successor agreement are nearing finality. In general it is likely that the new agreement will be fairly similar to the present one, which is a disappointment to the developing countries who had been hoping for substantial improvements. However, Lomé 2 will contain at least one important new feature, namely a scheme which purports to assist mineral exporting countries in the ACP group that are experiencing problems.

In principle, Papua New Guinea welcomes the fact that the developed European countries are prepared to take an initiative in an area which is of such vital importance to a number of developing countries, including our host country here at this meeting as well as ourselves. However, the real value of such an initiative depends on the way in which the proposals are drawn up; and here I must say that we are extremely concerned that the form of the proposals will destroy the value of the initiative. The scheme has been worked out entirely by

the Europeans, with little or no input from the developing countries that are supposed to benefit from it. The result is a set of proposals that seem to protect the interests of the developed countries that import minerals, rather than the developing countries that export them.

The essence of our complaint is that the system only offers assistance to countries which have suffered reductions in their capacity to produce certain minerals and export them to the European market—and the assistance itself is restricted to project or programme aid confined to the mineral sector and designed to restore production or export capacity. There is no help for those countries, including my own, which have suffered severe economic damage through low prices for our vital mineral exports, but have nevertheless through prudent policies succeeded in maintaining the volume of output. It is our strong conviction that a mineral assistance scheme, if it is to be of real value, must include the provision of concessional finance for countries that have suffered a loss of export earnings, or alternatively a loss of government revenue, as a result of poor export prices.

We have given thought to the technicalities of how such a scheme might operate. However, this is not the place to go into these technicalities, and my purpose is to stress a matter of principle: that, the scheme must not be confined to special emergency situations. It must include an element of assistance to compensate for the economic effects of low prices on the producing country concerned. A developing country that sells its mineral resources to the industrialised countries is not interested in the volume of production for its own sake. It will only yield up its resources in return for economic benefits which can be used to underwrite national development programmes for the advancement of the people—and these are precisely the programmes that are disrupted by weak and unstable world markets. Unless the principle of including such an element is accepted, the scheme is likely to be of actual harm rather than benefit to a country such as ours. The reason is that it will result in larger supplies of minerals coming onto the the market and thus in lower prices, while doing nothing to assist the countries which suffer directly from those lower prices. But when we have tried to point this out to our European partners, they have told us, in effect, to be happy with what we are offered—even though we believe it may actually damage our interests!

I have mentioned this example because I think it illustrates some of the dangerous trends at work in current thinking about development co-operation. One of these trends is a growing sense that in a harsh world, the poor countries are supposed to be grateful for the crumbs they are offered—and should not even expect to have a say in the type of crumbs they should be. Another is a growing concentration by the rich countries on their own interests—in this case the supply of adequate raw materials at cheap prices. We are quite ready to accept that the Western world has a vital and legitimate interest in gaining access to the raw materials on which its economy depends. But we also have a vital interest in making sure that when we agree to make our natural resources available to the rich countries, we get an acceptable return for them.

I could extend the argument further. The Western world has a vital interest in promoting new investment in resource projects located in the Third World. But can we really expect that this investment will materialise unless the rich countries show themselves ready to take effective action to ensure that the legitimate interests of the supplying states are protected? A world of naked greed as between nations is a world of bitterness and instability.

On this matter of mineral assistance under Lomé, I have already written to the President of the European Council of Ministers expressing our serious concern about the present European proposals and outlining the changes that we seek. I would like to suggest to my colleagues from the developing countries in the

Commonwealth who are concerned in this matter that they may wish to associate themselves with our stand at the forthcoming ACP Council of Ministers Meeting, due to take place in Monrovia at the end of this month.

I repeat that although this is not, formally speaking, a matter for the Commonwealth as such, this forum provides a unique opportunity for informal consultation and co-ordination between countries with common concerns. The Commonwealth has amply demonstrated its capacity to tackle practical economic questions in an effective manner. Here I would refer, for example, to the outstanding work done by the Commonwealth Fund for Technical Co-operation. I would also mention the recent formulation by the Secretariat of a programme of action to assist the island developing and other specially disadvantaged States, and the well-judged proposal before this meeting to set up a new Industrial Development Unit within the CFTC, which we fully support. The North-South dialogue will not be advanced by familiar rhetoric and empty words. It will be advanced by the identification of concrete problems and workable solutions.

Co-operation for development between nations must rest on an attitude of enlightened mutual appreciation of each other's needs, interests and problems. It cannot rest on narrow national self-interest supplemented by a little grudging charity. On the first basis we can all gain. On the second basis, it may be the poor countries who will lose out most obviously and quickly, but in the end we will all lose.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
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ISLAND DEVELOPING AND OTHER SPECIALLY DISADVANTAGED MEMBERS

Problems of Small Island States

Text of a joint statement by the Heads of Delegation of Dominica, Grenada and St. Lucia submitted for circulation

Introduction

The emergence on the world scene of a large number of small states or mini-states is one of the phenomena of the second half of the twentieth century. While the world community and indeed the Commonwealth has recognised this phenomenon, yet very little has been done in concrete terms to come to grips with the very real problems confronting these states.

It is for this reason that we are indeed grateful to the Commonwealth Secretariat for highlighting the special problems of small states and for preparing and circulating in advance of this meeting the special report documenting specific recommendations which can assist in solving the problems confronting this category of country. The purpose of this intervention is to further highlight the particular problems of the small and specially disadvantaged island member states of the Commonwealth and to point out ways in which the disadvantages of small island states might be ameliorated through greater Commonwealth co-operation to the mutual benefit of all member states. This of course implies that there is a political commitment among all here present to ensure the economic development of all Commonwealth members. It must be recognised that the prosperity of the smaller member states will redound to the advantage of the more developed members in that such prosperity will provide a growing and important market for the goods and services and the technology of the more developed members.

Moreover, the small island states of the Commonwealth now have under their national jurisdiction tremendous areas of marine space which are largely untapped at the present time. These marine areas are of tremendous importance not only in terms of their potential for the development of the sea and sea-bed resources they contain but also because of the strategic location of most of these states and the waters over which they will now be required to exercise jurisdiction. Surely it is in the interest of the Commonwealth to assist small island states to exploit and develop this large resource base which can change the economic balance between the developed and developing world.

By highlighting the special problems of small island states and the mutuality of benefit among member States, it is our hope that this Commonwealth gathering will initiate, without further delay, a series of concrete practical measures which will effectively alleviate the plight of this category of countries.

We have restricted our definition of "smallness" to include those member states with limited land space, limited natural resources endowment, populations of under 250,000 which in turn give rise to small internal markets including a small number of consumers, taxpayers and a small reservoir of trained personnel. To the above must be added the high per capita cost of public administration and other essential services. Having defined what we interpret to be "small island economies" our intervention attempts to highlight in capsule form the main problems and constraints facing this category of country in terms of economic

constraints, socio-political problems, problems of external aid and debt servicing and financing, problems of energy and problems of natural and other disasters. Finally, we have suggested solutions to overcome these problems outlined.

Main Problems and Solutions

(a) Economic constraints

As has been already recognised the main economic constraints facing small specially disadvantaged island economies include the undiversified nature of their economies due to their extreme dependence on one or two commodities for their foreign exchange earnings, the high import content of all goods and services which must be used for productive purposes, the undeveloped nature of their money markets and other financial institutions including the non-existence of central banks in many cases. To these must be added the lack of capital formation to undertake major public and private investment programmes.

To overcome these constraints it is vitally necessary for these countries to diversify their agricultural and industrial base and to increase local food production. Specific practicable measures which can be taken by the more developed Commonwealth countries include:

—assisting small island economies to process locally a greater proportion of their agricultural production thereby fostering the necessary linkage between production and manufacturing, broadening the economic base of the countries concerned and providing greater employment opportunities and a higher degree of local value added;

—undertaking a deliberate policy of industrial redeployment and restructuring by offering special incentives to labour-intensive industries to relocate in small developing countries with competitive labour costs;

—providing financial and other assistance to small island economies wishing to acquire industrial plants, assisting with technological adaptation and also transferring free of charge technological processes not subject to licence as well as making available the results of applied scientific and technological research undertaken by Government-financed institutions.

(b) Trade

Small island developing economies lack adequate internal or regional markets to absorb their domestic production. In addition they are generally isolated from their main markets and have absolutely no control over their terms of trade or prices received. The problem is further compounded by the lack of an integrated marketing system.

One major initiative for a solution to this problem will be for the more developed countries to guarantee total free access to their markets for the main agricultural, industrial and semi-industrial products of small island developing economies and provide compensation to these countries whenever these market outlets are disrupted or cut off.

(c) Socio-economic problems

Among the many socio-economic problems confronting small island developing economies are a lack of adequate social infrastructure, a small reservoir of skilled personnel to undertake economic transformation, a lack of adequate training facilities for higher education, a high rate of unemployment, the problem of the brain-drain and the high material expectations of the population brought about by contact with more affluent societies.

Quite clearly, only a massive transfer of resources—financial, technological and personnel—can assist in solving these problems. In addition, Commonwealth member States can assist by extending the range of training offers both under the

Commonwealth Scholarship Fellowship Scheme and also through bilateral co-operation thereby maximising the opportunities available to small island states for undergraduate, technical and higher technical training.

(d) External aid

The problem of achieving and maintaining adequate flows of financial resources from the more developed countries is a major constraint affecting small island developing countries. In addition, there are a whole series of other constraints which prevent small island developing countries from making optimum use of even those resources which are available. These constraints include:

—lack of understanding on the part of traditional aid donors of the particular problems of small island developing economies with the result that the terms of external aid are generally so restrictive as to prevent use being made of aid by small island states;

—the inability of small island economies to use external aid for budgetary assistance purposes. This places those small island states without central banks and with underdeveloped financial institutions in a particular disadvantage position because the balance of payments problems of these states are usually disguised and instead show up as budgetary deficits. Under present criteria used by aid donors, these states are excluded from any form of assistance for budgetary purposes and also cannot qualify for balance of payments support;

—the heavy debt burden of external aid;

—lack of experience on the part of small island developing countries in negotiating with international and bilateral aid agencies;

—the lack of any form of counterpart financing and the inability of small states to meet pre-financing costs, with the result that traditional aid flows cannot be utilised;

—the low absorptive capacity and the lack of the necessary skills and expertise to undertake major capital projects.

A major initiative which the more developed members of the Commonwealth can take is the establishment of a "basic needs fund" for small island states. This fund could be used to provide counterpart financing as well as to meet prefinancing costs. It should be mentioned for instance that many small states are unable to benefit from OPEC Special Funds simply because they cannot provide counterpart financing. Similarly, the EEC has recently recognised that pre-financing costs often impose an insurmountable burden on small island developing countries and has agreed under the new ACP/EEC convention to devise a special payment system so that the more disadvantaged states will not have to meet any pre-financing costs.

Other specific areas of assistance include the untying of aid and the simplification of aid procedures, the cancellation of all debts owing by small island developing states, and substantially increasing both bilateral and multilateral financial flows to these states. Finally, all aid to these states should be in the form of grants, or at most should be special loans.

Finally, by ratifying the 1975 Vienna Convention on the Representation of States in their Relations with International Organisations of a Universal Character, the Commonwealth could make it possible for small island states, where they so desire, to have joint representation abroad.

(e) Problems of energy and of natural disasters

The severe problems of economic dislocation which have confronted non-oil producing developing countries as a result of the energy crisis are well known. In order to lessen their dependence on oil as a source of energy small island

developing states should be given financial and technological assistance to enable them to develop alternative energy sources, particularly solar, wind and geothermal sources. The same applies to the problem of natural and man-made disasters, *e.g.* pollution, oil spills etc., which can have serious effects on the economies of small island developing states. The provision of oil on concessionary terms can help avert the real possibility of a complete collapse of the economies of some of these states. Moreover it will free scarce foreign exchange which these states can utilise for other productive purposes.

Summary of recommendations

In order to give concrete assistance to small developing countries it is recommended that the larger Commonwealth countries should:

(i) assist economic diversification of these states by encouraging greater local processing of raw materials and pursue a deliberate policy of industrial redeployment in favour of these states through the establishment of labour-intensive industries. In addition the more developed Commonwealth States should assist these states to increase their technological skills;

(ii) guarantee total free access to their markets for the products of small island states;

(iii) increase financial flows both bilaterally and multilaterally to small island countries, cancel their debts, untie aid and simplify aid procedures;

(iv) set up, as a priority, a " basic needs fund " for small island states;

(v) give financial and technical assistance to small states to lessen their dependence on imported oil and to develop alternative energy sources.

This Meeting should also recommend that all Commonwealth countries ratify the 1975 Covention on the representation of states thereby enabling joint representation by small states in international organisations.

To implement these proposals and other suggestions advanced for meeting the special needs of disadvantaged small island states, it is recommended that this Meeting authorises the Secretary-General to convene a select committee meeting before the end of the year, to initiate a concrete programme of action aimed at assisting in solving the problems identified.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August 1979

ISLAND DEVELOPING AND OTHER SPECIALLY DISADVANTAGED MEMBERS

Text of a statement by the Prime Minister of Papua New Guinea submitted for circulation

It is my pleasure to be able to contribute to this important subject, which touches upon a major issue for developing countries like Papua New Guinea. The issue of development is complex. Its effects range far and wide, not only in the domestic economy of a developing nation, but also among the community of growing nations. The benefits are many. But equally so, the damage to the life style of the communities it attempts to serve can be far reaching.

I have prefaced my remarks with this word of caution to place this topic in its right perspective. Mr. Chairman, each developing nation will have to make up its own mind on a number of vital but complex issues relating to development. It will firstly have to decide to have development or not. This decision has major implications for a developing nation and its people. In the present economic circumstances, such a choice may no longer be wholly within the power of a developing nation to decide. Colonial administrations have imposed socio-economic developments that have become part of the national way of life. Similarly modern communications draw developing countries into the modern, technologically inter-related world community. The only choice open to developing countries today is, in practical terms, what type of development is needed. Once that choice is made the most difficult aspect is to bring it to reality. The difficulties involved differ in each developing country. Some countries are more disadvantaged than others. This has been recognised by the Commonwealth and now we are trying to find ways and means to assist those disadvantaged fellow members.

Mr. Chairman, let us be serious and concentrate on helping our island developing nations and our other colleagues who are specially disadvantaged. The idea for this special programme originated in 1977 and a lot of discussion has taken place on it since then. It has taken us two years to assess it and the programme has not yet reached the implementation stage. In those two years, we have spent much time, energy and intellectual semantics on the characteristics for defining those developing countries that could benefit under this programme. Papua New Guinea misses out in this programme because of the characteristics and the special nature of the programme. But we don't mind as we are relatively better off than our colleagues who are covered under this programme.

This Meeting should endorse in principle the characteristics put together in HGM (79) 6 and get on with the substantive business. In agreeing to the characteristics in principle we will not close doors to considering additional characteristics in the future. The important thing is to get the proposed programme in this topic started immediately. If we do not, the more disadvantaged members of the Commonwealth will inevitably fall further behind. The task will therefore be made much more difficult for us. But more importantly the national aspirations of these disadvantaged countries will be unrealised. If we delay, we could be rightfully accused of denying development to our brother members. It will be our fault if some of these countries turn to developed countries outside the Commonwealth to have these special development needs realised.

Mr. Chairman, the Programme of Action contained in HGM (79) 6 is commendable. The Commonwealth Secretariat must be complimented for having judiciously compiled an intellectually stimulating paper. It is now up to us to

take up this challenge with conviction and assist our colleagues. The recommendations have much to provide for the betterment of our colleagues. We must make our commitment as leaders here today to fulfil them. Some of the proposals are currently being undertaken by developed countries and the Commonwealth Secretariat through various schemes. These should be continued and expanded.

Even though Papua New Guinea itself is a developing country, we have made available, and will continue to make available, our training facilities to our South Pacific neighbours. This enables our neighbours to have their people trained in an environment suitable to them. It also helps to strengthen the bond of friendship amongst Pacific Islands. As a member of the South Pacific Forum, Papua New Guinea has played its part in regional development projects to assist our colleagues. Despite our operating our own shipping line, we financially support the Forum shipping line. We believe that this line will help our more isolated neighbours. Papua New Guinea supports the South Pacific Forum Fisheries Agency, as we believe that it is beneficial to all of us in the South Pacific.

Our contribution towards the aims outlined in the recommendations are, necessarily, less extensive than those of the developed countries and the Commonwealth Secretariat. But we believe in playing our part, even though this must be in ways which may appear small judged against the total effort. But proportionally, they are considerable for us. We are still a developing country and are prepared to make these sacrifices to enable our neighbours to accomplish their national aspirations. Papua New Guinea will continue to help its neighbours, where it is able to do so.

Mr. Chairman, Papua New Guinea urges this Meeting to endorse the recommendations in HGM (79) 6. In doing so I am mindful of the necessity to translate the Programme into reality. There must be action. Many meetings lead to disappointments because actions do not follow decisions for various reasons. We in this forum should provide some guidance for implementation. We should give the Commonwealth Secretariat the task of co-ordinating this exercise. There will be a need to collate (if not already done) the development needs of each developing island or specially disadvantaged nation, and the priorities placed by such countries that request assistance. The Secretariat should then channel these development needs to the appropriate agencies in concert with each developing island or specially disadvantaged nation. The Secretariat should not stop its assistance there, but should monitor the implementation of such programmes of development. This is to enable the Secretariat to report to the next Heads of Government Meeting on the status of the Programme.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August 1979

SOUTHERN AFRICA

Text of a statement by the Foreign Minister of India submitted for circulation

Mr. Chairman, although I am speaking as the representative of the newly constituted Government of India, I have no hesitation in reaffirming with the strongest conviction the national policy we have unswervingly followed, from the day of our independence, of implacable opposition to all manifestations of colonialism and racism in Southern Africa.

The three problems of Zimbabwe, Namibia and South Africa, though each has certain special features, arise in essence from the defiant denial of equal political rights on grounds of race and colour. The international community must persist with determined efforts to establish democratic governments based on respect for dignity, equality and fulfilment of aspirations of the people of Southern Africa. As far as India is concerned, we have always believed that the struggle against racism and colonialism was part of the struggle of all humanity for independence and human dignity. We have sought to translate our deep-seated political convictions into response and contribution through a programme of support for, and co-operation with, the Front-Line States and the liberation movements, not because India is affluent but because we deem it our principled obligation and it is entirely non-political and non-ideological. We have established programmes of bilateral economic co-operation with Zambia and Tanzania. We have made beginnings of such co-operation with Mozambique. We have not hesitated within and beyond our means to provide material assistance to the Patriotic Front, SWAPO and to other Southern African liberation movements. My Government is determined to continue such moral, material, political and diplomatic support in this principled struggle against racism and for true democracy for the Southern African liberation movements.

The world's attention is focused on this meeting of Heads of Government to see whether the Commonwealth, in its collective wisdom and its resilient capacity for political adjustment, can help to resolve the problem of Zimbabwe. This is not merely a regional issue but one of crucial importance to peace in this great continent. It is also a challenge to the Commonwealth. I had listened with the greatest interest to the presentations and analyses of various Heads of Government. Every speech was understandably permeated with a sense of urgency.

Some would like us to believe that we are meeting at a time when " new realities " have surfaced in Zimbabwe. This so-called " new reality " at the overall level is the new " internal settlement " and at the micro-level, it is pointed out, is the fact that an election had taken place in which the turnout of voters was about 64 per cent of the electorate and, further, this has led to the new feature of the constitution of a government with a black Prime Minister and a black President. It is not necessary to remind this august body of the other realities behind these so-called " new realities ". There was a warped constitution which could not conceivably result in the establishment of a genuinely democratic government. The elections took place under a régime of emergency and martial law upheld by security forces and with the presence of private armies under the dominant control of the white minority. It is not surprising that the " new realities " do not meet the legitimate aspirations of the people of Zimbabwe as a whole.

As against this, the " new realities " with which this conference has to reckon are certain trends in Britain and the US towards recognition of the Muzorewa regime and the lifting of sanctions. One can sympathise with the British Prime

Minister in her predicament. But I hope she will excuse us if we sympathise more with the Rhodesian people who are undergoing untold misery and hardship in their legitimate struggle for genuine majority rule which has after all been endorsed by the world community through definitive pronouncements by the UN and the Commonwealth itself.

On the other side the " new reality " to be acknowledged is the growing international support for the Patriotic Front and the prospect of this region being turned into an arena of larger confrontation involving Great Power intervention.

One must not forget that the most vivid reality of all is that the civil war continues; the liberation struggle has grown in intensity; and the brutality of the Rhodesian forces grows more desperate and daring, as in the attacks on Zambia. Men, women and children are being killed and maimed, innocent activists and patriots are dying and behind it all is the economic damage and hardship hurting all the people of Zimbabwe and the countries around it.

So we are thus confronted with the pincers of two sets of " new realities ". This conference has to grapple with not the fake realities which are rabbits out of Mr. Smith's hat but the ultimate reality of the people's will for dignity and true independence. What is the duty of this conference? Surely it would not be sufficient if we merely make and reaffirm the familiar declaration of our commitment towards the attainment of majority rule. What we are facing today is nothing short of a new UDI brought about by the old overlord who still controls the new regime. Mr. Smith today is not only the *de facto* Prime Minister which he used to be but remains in overall control of the political situation in Zimbabwe.

We are aware that the heroic people of Zimbabwe, the directly affected Front Line States and the international community as a whole looked forward to this Commonwealth summit as a unique opportunity which should not be lost. It certainly calls for the display of mature statesmanship on our part calculated to provide a transition to genuine independence. It calls for a blueprint for the establishment of a just and lasting peace and a genuinely democratic government in Zimbabwe.

Mr. Chairman, we have now been presented with the framework of an agreement reached by some of our distinguished colleagues. We cannot question their sincerity or their wisdom. It is no doubt only a framework. It bears the mark and impact of President Nyerere's analysis and statesmanlike contribution in our midst. The package has no doubt addressed itself to some of the fundamental aspects. The British Government has accepted its responsibility for bringing about independence under a truly democratic constitution which will ensure genuine black majority rule. It acknowledges that the constitution of the internal settlement is defective and that a completely new constitution will be framed through an all-party conference. While the UK is to carry the responsibility for a free and fair election the Commonwealth is expected to provide observers.

The authors would acknowledge that the package is only a scaffolding where details and body have yet to be filled in. Its success no doubt will be determined by the will, intentions and determination of many parties and above all of the UK. Cessation of hostilities, international recognition and ending of sanctions must be conditional on the step by step implementation of the goal of genuine majority rule. The consent and role of the Patriotic Front is crucial and cannot be presumed or ignored. It is obvious that until and unless various elements of a package settlement are implemented, the international community will insist on a binding responsibility to maintain sanctions against Zimbabwe. No international recognition can be accorded to a regime which has assumed power on the basis of a manifestly undemocratic constitution and of elections whose freedom and fairness have been placed in serious doubt by responsible and impartial observers.

As members of the Commonwealth of Nations we will continue to watch the progress in the implementation of the understanding. The bloodshed in and around Zimbabwe must be brought to a speedy end. It is more than obvious that unless there is genuine transfer of power to the majority of the people under impartial observation peace will be fragile. The Commonwealth commitment to majority rule was an accepted obligation. When we endorse this package, we cannot lose our commitment or sense of urgency for progress. I would give no more than three months to get it under way and to end the present illegality. I have acknowledged the difficulty of the British Prime Minister and recognise that her own supporters may seek to inhibit the implementation of the plan. The Commonwealth consensus and commitment is her support and this chance, this possible breakthrough, should not be allowed to be lost.

We have seen too many frauds and failures in the past and, as I stated earlier, a new failure could be a bitter and bloody event. But it may well be—let us hope so—that this Lusaka summit may have truly given the momentum towards peace and true independence for embattled Zimbabwe and the Front-Line States. Peace may have a chance only if true democratic fulfilment is not allowed once again to be frustrated by reaction and racism. There is an urgency—I gave it three months which is all that can be allowed—to transform the superficial reality to the glorious reality of majority rule under a new constitutional legality. If genuine majority rule triumphs in peace and the economic burdens will ease, the white minority may also be able to shed their fears and accept and work under democratic black rule.

If in Lusaka Heads of Government have written a new chapter for Zimbabwe, it should have its own positive impact in Namibia. SWAPO in co-operation with UN supervision could equally obtain the framework for democratic rule through free elections in Namibia. South Africa's intransigence should not be permitted to obstruct progress towards majority rule and independence. Our conference may have a historic significance but only if it is seen as part of the crusade against racism and colonialism.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August 1979

SOUTH EAST ASIA

Text of a statement by the Prime Minister of New Zealand submitted for circulation

I have heard the Foreign Minister of Malaysia speak movingly about the problem of South East Asia and of refugees during our discussion of the international political situation. His was the deeply concerned voice of a "front-line state" (a term indeed that applies not just to Southern Africa). He was talking of events in Indochina that are as momentous in their implications for the South East Asian region as any other since 1945. They are disturbing too in the wider Commonwealth setting. They also raise awkward issues for the Non-Aligned movement, particularly in regard to Kampuchea.

New Zealand understands and sympathises with the concerns expressed by the ASEAN countries. Support for ASEAN is a key element in our foreign policy, as I told ASEAN Heads of Government when I met them in Kuala Lumpur in 1977. A peaceful and prosperous South East Asia is an essential New Zealand interest. There are limits to what New Zealand, a small country, can do. We can best act in support of our friends. That has been our consistent approach in our relations with the countries of ASEAN.

With regard to the immediate problem of the refugee crisis, the recent Conference convened by the Secretary-General of the UN in Geneva seems to have been productive. The Vietnamese have undertaken to make every effort to stop illegal departures for what they describe as a reasonable period of time, and to increase the number of legal departures under their arrangements with the UNHCR. In addition, the international community has responded to the Secretary-General's appeal to provide more resettlement places plus greater material and financial assistance. We shall have to wait and see whether the Vietnamese carry out their undertakings.

Yet a greater effort at resettlement, though essential, is only part of the solution. We have to look at the underlying cause of the crisis, which is the continuing conflict in Indochina. The refugee problem can only be solved in the context of a political settlement acceptable to all the states involved. Such a settlement would have to be based on the principle that states must respect each other's independence and territorial integrity. That means that Vietnam must accept that it cannot hold Kampuchea by force.

The problem is how best to obtain Vietnam's co-operation. Vietnam cannot be co-erced. The Chinese failed to impose their will on the Vietnamese by force, just as the US did earlier. So to bring about a political settlement, it is necessary to establish direct contact with Vietnam and seek to influence it by means other than the use of force.

There is a lesson to be drawn from the Geneva Conference. Public pressure was kept up on Vietnam and at the same time a dialogue was maintained. This dual approach, of maintaining the public pressure but also seeking consciously to secure Vietnam's co-operation, is the one that seems to be best capable of producing results.

The next stage in international consideration of the Indochina problem will be at the Non-Aligned summit conference in Havana. Indeed we feel the present situation in Kampuchea is no more accepted by the Non-Aligned than it is by the South East Asian region or by the international community in general. This

recognition will not be given until Vietnam is seen by its actions to be accepting the independence of Kampuchea, either by withdrawing its troops or by agreeing to the formation of a more broadly-based government.

It may be that the Cubans as well as the Russians and the Vietnamese themselves have an interest in exploring the possibility for compromise. The Vietnamese have so far failed to break out of the isolation they have found themselves in following their invasion of Kampuchea last January. The Non-Aligned countries clearly are not willing to accept Heng Samrin as a genuine representative of the people of Kampuchea, at least as long as Vietnam maintains substantial forces in Kampuchea. The best chance for the Vietnamese to break out of their isolation may lie in making a deal with Sihanouk who still commands widespread support in Kampuchea as well as in the Third World. The Havana meeting will be looking for ways of re-establishing Kampuchea's non-alignment. Many of your Governments will attend the meeting and may have the chance therefore to contribute to the working out of a political settlement.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August 1979

ISLAND DEVELOPING AND OTHER SPECIALLY DISADVANTAGED MEMBERS

Text of a statement by the Minister of Finance of Western Samoa submitted for circulation

Characteristics

Small island countries are generally characterised by geographical isolation, dependence on a small number of export sources, and are thus subject to very considerable fluctuations in export earnings. These countries normally have a heavy dependence on imports, a small domestic market and thus limited scope for local industry, and limited administrative and technical expertise.

Problems

Many of the specific problems facing island developing nations, *e.g.* economic vulnerability, difficult and high cost of communications (air/sea/telecommunications), high *per capita* cost of infrastructure, balance of payments fluctuations, access to capital markets, adequate overseas representation, follow from these constraints and are generally well known, but not fully understood by most of the larger countries of the developed world and international assistance lending organisations who often do not have a sensitive grasp of the practical difficulties encountered.

Commonwealth initiative

The Commonwealth initiative in focusing attention to these problems is most practical and has already resulted in the particular problems of island developing countries receiving increasing attention by the international community. The very fact of increased discussion of these problems must assist as a means of their solution as a better understanding of the unique problems of island developing and other specially disadvantaged member countries is promulgated.

Programme of action

We endorse the programme of action developed and proposed by the Secretariat to assist the island developing and other specially disadvantaged countries of the Commonwealth and would support the adoption of this programme by this Meeting. We are, however, concerned to ensure appropriate and adequate implementation/follow-up of the recommendations and would expect the Secretariat to perhaps establish a special desk and report periodically on implementation actions taken and progress made.

The programme is however a wide one and there are some problems which in our view require priority attention.

1. Bilateral aid

There is the need for streamlining of bilateral aid for smaller countries who often lack the administration to cope with the often cumbersome requirements of donor countries. Samoa fully supports the Arusha Programme recommendation that modifications in policies which donors may consider specifically for smaller developing countries include:—

(*a*) the shifting of project aid to programme aid;

(*b*) investing aid missions with greater authority to commit their governments;

(*c*) relaxation of normal aid procedures.

2. Multilateral assistance/lending organisations

In dealing with small developing countries, there is a need for greatly increased flexibility on the part of bilateral and multilateral assistance/lending organisations. In the past, international lending organisations have been used to dealing with much larger countries and in much larger-sized loans. During the years their procedures and lending criteria have generally been developed for this situation, and much greater flexibility in dealing with small developing countries is required.

Of specific practical importance to Samoa and other small developing countries is the placing by some of the larger international lending organisations of an undue weight on *per capita lending* as a criterion, which does not necessarily take into sufficient consideration the far higher *per capita cost* to small states of any given infrastructural or other project. For example, an international airport costs a large country say $1 per capita but costs Samoa aproximately $60 per capita.

3. Industrial Development Unit

Western Samoa sees an urgent need for the establishment of the proposed Industrial Development Unit with adequate staff and financial resources to enable it to play a significant role in assisting the developing island countries in their industrial development. We would see the proposed industrial development unit assisting with a number of major practical problems faced by developing island countries including project identification, preparation and implementation; devising appropriate means for more effective resource mobilisation; and the establishment and strengthening, where necessary, of national industrial promotion agencies to mobilise domestic and foreign investment.

4. Technical assistance

The small island developing countries generally face a serious shortage of administrative and technical expertise. Practical and rapid assistance in these areas of project identification and project preparation could be of great assistance. Unfortunately, expertise offered too frequently tends to be of a somewhat academic nature with solutions to problems often recommending additional studies rather than specific and positive action. Generally, many problems of smaller island developing countries are capable of relatively short term practical solutions. Thus, technical assistance to be of real benefit, should be rapidly forthcoming and be extremely practical.

5. Bilateral aid

An interesting suggestion made at the Apia meeting on finance problems of small island states was the possibility of using a portion of aid from a bilateral donor to service commercial loans so that larger financial resources could be obtained *now* than would be the case if aid funds were only applied on a project by project basis. The effect of this suggestion is to commit an aid flow of, say, $2 million per year for 6/7 years which would allow a commercial loan *now* of say $10 million. This enables larger projects to be commenced within existing aid flows, avoids future cost escalations, increased revenue, etc. This suggestion is worth further refinement but would obviously stand or fall by the attitude of donor countries.

6. Mutual help seminars

There is a great deal that island developing countries can learn from each other and the sponsoring of brief practical seminars dealing with specific mutual problems is likely to yield positive results. In this respect the action of the Commonwealth Secretariat in proposing a series of seminars relating to access to capital markets is a most practical initiative.

In summary, there is need for the international community to recognise and understand more fully the unique problems faced by island developing and other specially disadvantaged countries and to deal with these problems with increased flexibility. Appropriate implementation/follow-up action by the Commonwealth Secretariat should be aimed towards this end.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August 1979

WORLD ECONOMIC SITUATION AND PROSPECTS

Text of a statement by the Minister of Foreign Affairs of Malaysia submitted for circulation

Mr. Chairman, I have found the paper presented by Mr. Fraser reviewing the international economic situation very encouraging and would like to express my appreciation to him for treating the subject in the way that it should have been. Mr. Fraser's reference to the need to have a definite programme of action to implement positive structural adjustment policies was particularly encouraging.

We believe that unless we have structural change in the international economic system we are bound to continue to have uncertainty and sluggish growth in the international economic scene. All that has been done so far in the major international economic forums has been to tinker with the economic system. This has resulted in ad hoc measures taken and used as palliatives towards its basically structural disequilibrium.

This approach has been due to the short-sighted preoccupation of political leadership with their own narrow interests without the perspective that should be appreciated by some national leaders. At the same time we have had exhortations from the industrial countries to reduce protection to accelerate economic development in the developing countries. However, these very leaders have shown scant attention to the introduction of deliberate policies that would help to reduce protectionism that would enable developing countries to have greater access to their markets. This is certainly a serious contradiction in terms. Industrial countries cannot have the cake and eat it. They cannot say one thing on the one hand and do something else on the other, to negate what they have proposed to do to help the developing world.

The role of the Commonwealth

We hope that here in the Commonwealth, we who proclaim the need for greater interdependence will be able to rise to the occasion to put this concept of interdependence into effect. We need to practise what we preach before we can assume the role of preaching to others outside the Commonwealth. In this connection, Mr. Chairman, I would think that the industrial countries amongst us would be able to take greater initiatives to give greater meaning to the Commonwealth and the realisation of the high aspirations of its members and their peoples.

The Commonwealth with 41 members and populated by about 800 million people with 80 per cent of the world's poor, cannot afford the luxury of preaching. We need to be increasingly honest in our collective purpose. We in the Commonwealth must be able to set the example if we mean what we say and if we expect others to take seriously what we continue to say of interdependence, the need for structural change and a more serious attempt to alleviate poverty wherever it is found. If we here in Lusaka do not begin to take more meaningful measures at this juncture in the international economic and political situation, then we must blame ourselves if things get worse.

The international economic situation

Mr. Chairman, Sir, I would also like to refer to the excellent paper presented by the Secretariat on the International Economic Situation. It is clear from this paper and the many recent economic reports from international institutions that we are indeed at the threshold of further deterioration and even a serious recession. As Mr. Fraser has pointed out, the first quarter-century immediately after the Second World War was one of rapid economic expansion but the second quarter

after the War might indeed be characterised by greater uncertainty and deepening recession. He has well pointed out that the present dismal state of economic affairs has been largely due to the over-indulgence, economic indiscipline and unsatisfactory economic and financial policies pursued in the first quarter after the War.

The present economic malaise therefore is the result of negligence, mismanagement and wanton wastage over the last 25 years. Although there are many who are quick to attribute the present weakness in the economic system to recent problems related to energy, I would be loath to ascribe all our problems to the developments in this field. If there is a case to relate our problems to energy I would think the real issue in this connection would be the disregard for economies in the use of the scarce resources of energy. When we consider that only about 15 per cent of the total energy production is consumed in the developing countries, it is easy to see how the present energy crisis has been brought about by the excessive wastage and careless disregard for conservation of our scarce global energy resources by some industrial countries. In fact there are those who would argue that the improved management in the supply of oil and the subsequent increase in prices could well provide the answer to our energy problems in the long term. As a result of the energy problems, the industrial countries are now being persuaded finally to seek other alternative sources of energy and to adopt more responsible policies towards energy conservation and usage.

The future work of the Commonwealth

Most speakers have supported the call made by the Australian Prime Minister, Mr. Fraser, for a programme of action. I would myself heartily support this approach. What we need after all is more action and less talk. In this connection, Mr. Chairman, I would like to suggest that we could resolve at this Meeting to focus our attention and efforts between now and the next Commonwealth Meeting, on a package of specific areas where we, as a Commonwealth, could take positive action. This consensus to take concerted action is related to the areas where there has been some consensus on the need to do much more to accelerate the pace of progress that has already been achieved through our joint Commonwealth action.

There is a need to unite our efforts even more strongly to ensure that the Common Fund, having achieved so much progress, does not end up as an empty shell, as has been so aptly described by Prime Minister Fraser. It is indeed vital to exert greater effort to speed up the establishment and implementation of international commodity agreements in consonance with the evolvement of the Common Fund. In the next few meetings that have been planned to resolve issues of the Common Fund, it is hoped that the Commonwealth consensus will come out very clearly and that we will be able to achieve the final establishment of the Common Fund including full support for the Second Window, hopefully within this year.

As indicated by both Prime Ministers Fraser and Muldoon, the results of the MTN accruing to the developing countries have been minimal and in many respects do not go anywhere near the objectives of the Tokyo Declaration which launched the MTN. Many of the requests made by Malaysia and other developing countries such as those in the field of tropical products have not met with meaningful responses. The overwhelming majority of the requests for the liberalisation of non-tariff measures have not met with any positive responses from the industrialised countries.

The collapse in the negotiations for a Safeguards Code recently should be a matter of grave concern to all countries participating in world trade. The collapse was mainly due to a major trading entity not finding satisfaction with the compromise proposals put forth by the developing countries. There must be genuine discipline in the implementation of safeguard action.

The MTN had no doubt helped to generate a momentum for world trade liberalisation. Now that it is practically over, the industrialised Commonwealth countries should ensure that the momentum towards liberalisation, particulary of their imports from the developing country members of the Commonwealth, is at least maintained if not accelerated. Industrialised countries should assure the world community that they would not take any unilateral action to restrict imports from developing countries in a manner which is not consistent with established international trade rules.

The rise of protectionism has been one of the constraints in the MTN but what is more disturbing is the increasing tendency for developing countries to be made to bear the effects of this unhealthy trend. Protectionism in the industrialised countries has led to the restriction of their imports of most products from developing countries where the latter enjoy comparative advantage such as textiles, wood products, rubber footwear and electronic items.

It must be recognised that the restriction of imports from developing countries would neither help to check the protectionist pressures nor solve the problems which lead to protectionism. The industrialised countries of the Commonwealth must be able to demonstrate that the import restrictions they introduce are due to critical circumstances and of a temporary nature. Together with that they should outline the means and manner by which resources would be withdrawn from the affected domestic industry so that imports from developing countries could be gradually liberalised. In addition they should declare their commitment to continue to pursue efforts towards more effective and greater international discipline on the application of safeguard measures. Indeed the Commonwealth should also resolve to seek ways and means between now and the next Commonwealth Meeting to reduce protectionist policies, particularly vis-à-vis Commonwealth countries.

Another area of possible Commonwealth consensus and action is in regard to industrialisation. Many of my colleagues have eloquently spoken of the unnecessary wastage that has been in fact encouraged by some industrial countries on protecting their sick industries. I would agree that it needs considerable political will to overcome short-term political problems relating to the resistance by those involved in these inefficient industries. However, I would call upon the leaders in the industrial countries to endeavour to do much more than they had hitherto, to ensure that the aspirations and objectives that were envisaged in the Lima Declaration could be further advanced.

In this connection we take hope from the progress that has been made within the Commonwealth in the decision taken to establish the Industrial Development Unit. It is our hope that this Unit will be established as a matter of urgency and that the developing countries in the Commonwealth will be able to benefit from the advice that will be available to us all, and the initiatives that the industrial countries in the Commonwealth will hopefully take, to bring about the beginnings of a carefully planned programme to restructure industries within the Commonwealth based on the principle of comparative advantage.

Finally, Mr. Chairman, I hope that the Experts Group that will be set up will be able to identify specific areas where much more could be achieved by the Commonwealth in terms of economic co-operation which would benefit both the industrial and developing countries in the Commonwealth.

Thank you.

Commonwealth Secretariat
Mulungushi Hall
Lusaka

August 1979

CONFERENCE ARRANGEMENTS

NOTE BY THE COMMONWEALTH SECRETARY-GENERAL

Venue and times of meetings

The Meeting will be held from Wednesday, 1 August to Wednesday, 8 August, 1979,* at Mulungushi Hall, Great East Road, Lusaka.

Apart from the opening session, the times of commencement and duration of individual sessions will be considered initially by the Meeting of Senior Officials on 31 July.

The opening session will be held in the Main Conference Hall. Executive Sessions will be held in Committee Hall 2 on the ground floor. Restricted Sessions will be held in Room 19 also on the ground floor.

Details of the arrangements for the opening session on the morning of 1 August have been circulated separately (HGM (79) 2).

Provision is made for a maximum of two advisers from each delegation to be present at Executive Sessions in addition to the Head of Delegation.

Travel arrangements

Delegates have been requested to keep the Zambian Government fully informed of their travel arrangements by notifying details, including any changes, to

Mr. J. C. Mandona,
Commonwealth Directorate,
Cabinet Office,
P.O. Box 208,
Lusaka.
Telex No: 42240

This information is needed to ensure that reception and diplomatic clearance on arrival in Lusaka can be appropriately arranged.

Directory of delegations and Secretariat

A list of delegates and Zambian liaison officers together with their addresses and telephone numbers in Lusaka will be distributed in provisional form in Lusaka before the Meeting and, with the co-operation of delegates, in final form on 2 August. The Directory will also include details of the Secretariat.

Delegation offices

There will be an office for each delegation in a building at the rear of Mulungushi Hall which may be used from 29 July.

Responsibility for arrangements

The Commonwealth Secretary-General is responsible for the general organisation of the arrangements for the Meeting.

* In the event the Meeting ended on 7 August.

The Deputy Secretaries-General, the Managing Director of the Commonwealth Fund for Technical Co-operation and the Assistant Secretary-General are responsible to the Secretary-General for co-ordination and regulation of business as follows:

Mr. E. C. Anyaoku—International Affairs and Servicing of the Meeting

Mr. C. J. Small—Economic Affairs

Mr. D. A. Anderson and Prof. K. S. Murshid—Functional Co-operation

Other conference officials are:

Mr. M. Malhoutra—Conference Secretary International Affairs and Servicing of the Meeting: all matters pertaining to the Agenda, Minutes, Notices, and Memoranda

Mr. H. M. Lynch-Shyllon—Co-Secretary, Administration

Dr. B. Jalan—Co-Secretary, Economic Affairs

Administration matters:

Miss A. Cassam—Conference Officer

Mr. M. L. Sardana—Assistant Conference Officer

Media:

Mr. C. W. Sanger—Director of Information

Host Government officials concerned are:

Mr. John C. Mandona—Director of the Commonwealth Summit Directorate

Miss G. C. Konie, Permanent Secretary—Social Programme

Ambassador M. Liswaniso—Chief of Protocol

Mr. G. R. Zimba, Ambassador (Political)—Conference arrangements in Mulungushi Hall

Mr. F. D. Tumeo—Catering Services

Mr. A. L. Chitulangoma—Permanent Secretary responsible for all news media in Zambia

Mr. H. J. C. Mtonga, Deputy Commissioner of Police—Security

Record of proceedings

The Secretariat will prepare Minutes of all Executive Sessions. These will normally be circulated in provisional form within 24 hours of the conclusion of each session. Amendments should be notified to the Conference Secretary within 24 hours of circulation.

Document distribution

Provisional minutes and other documents may be collected by delegates from the document distribution centre outside Committee Hall 4 on the first floor of Mulungushi Hall between 0830 hours and 1830 hours.

Message centre

Messages for delegates will be received in the message centre in the foyer of Mulungushi Hall and posted on the message board. Messages will not normally be taken into the conference room while a meeting is in session. In cases of real urgency the Conference Officer will be consulted.

Refreshments

A lounge adjacent to Committee Hall 2 on the ground floor is reserved for the use of Heads of Delegation. Coffee, tea, and soft drinks will be available to other delegates in the two lounges on the first floor. Snacks can be obtained on payment in another lounge on the ground floor and a bar service, also on payment, will operate in one of the other lounges from 1100 to 2300 hours.

Security

The Conference Security Co-ordination Officer for the Meeting is Mr. H. J. C. Mtonga, Deputy Commissioner of Police. He can be reached at Villa No. 65, Telephone No. 54853.

At Mulungushi Hall, the Conference Security Officer will be located on the first floor. In addition, there is a police post on the first floor opposite Room 80.

The Zambia Police Force and Zambia Security Intelligence Services are responsible for the security of the Conference Hall, Mulungushi Village, hotels and all other related places.

The laws of Zambia prohibit the importation of firearms and ammunition without the authority of the Firearms Registrar. Visiting Security Officers who could be carrying firearms are accordingly advised to surrender them to the Police as soon as possible on arrival. Arrangements will be made for the firearms thus deposited to be repossessed on departure.

The Republic of Zambia is a Front-Line State and fully supports the liberation movements in their war against colonialism. Consequently, there are some parts of the country which are operational areas and restricted. Delegates wishing to visit the countryside on their own are advised to contact the Security Co-ordination Officer at Villa No. 65.

For liaison purposes, all visiting Security Officers accompanying Heads of Delegation should contact the Security Co-ordinator at Villa No. 65.

Commonwealth Secretariat
Marlborough House
London SW1
July 1979

PROGRAMME OF OPENING SESSION ON WEDNESDAY, 1 AUGUST, 1979

NOTE BY THE COMMONWEALTH SECRETARIAT

The following is the timetable for the Opening Session.

0900–0925 Members of delegations (other than Heads of Delegation) and invited guests arrive at Mulungushi Hall and proceed to the Delegates' Lounge for coffee.

0930–0935 Arrival of His Excellency the President of the Republic of Zambia.

0935–0955 Arrival of Heads of Delegation.

(*a*) The arrival of Heads of Delegation at Mulungushi Hall will take place according to the following schedule:

0935–0940	*0940–0945*	*0945–0950*	*0950–0955*
Australia	The Gambia	Malaysia	Solomon Islands
The Bahamas	Ghana	Malta	Sri Lanka
Bangladesh	Grenada	Mauritius	St. Lucia
Barbados	Guyana	New Zealand	Swaziland
Botswana	India	Nigeria	Tanzania
Britain	Jamaica	Papua New Guinea	Tonga
Canada	Kenya	Seychelles	Trinidad & Tobago
Cyprus	Kiribati	Sierra Leone	Uganda
Dominica	Lesotho	Singapore	Western Samoa
Fiji	Malawi		

(*b*) The Heads of Delegation will be received on arrival by His Excellency Dr. K. D. Kaunda, President of the Republic of Zambia, and the Commonwealth Secretary-General, His Excellency Mr. Shridath S. Ramphal, and then conducted to the Lounge for coffee.

(*c*) There will be photographic and television coverage of the arrival.

0950–1000 All invited guests and Delegates, except Heads of Delegation, take their seats.

1005 Heads of Delegation take their seats in the Main Hall.

1005 Press and television pictures will be taken in the Main Hall.

1020 Cameramen, except those designated to cover the proceedings, depart.

1025 Opening Session:

(i) Address of Welcome by the President of the Republic of Zambia.

(ii) Address by the Commonwealth Secretary-General.

(iii) Replies to the Address of Welcome.

1140 The Meeting adjourns. Group photograph of Heads of Delegation.

1145–1155 Heads of Delegation depart for National Assembly for Secretary-General's Reception to meet the Press.

1200 Commonwealth Secretary-General's Reception (by invitation only).

Commonwealth Secretariat
Marlborough House
London SW1
June 1979

ORDER OF AGENDA AND PROCEDURAL MATTERS

NOTE BY THE SECRETARY-GENERAL

At their meeting today Senior Officials made the following recommendations:

Conference arrangements

Senior Officials recommended that the times of sessions proposed in HGM (O) (79) 1* should normally be followed, *viz.* morning session from 0930–1245 hours and afternoon sessions from 1445–1730 hours, except on Friday, 3 August, when the afternoon session would start at 1600 hours and run a little later. There would normally be a break for refreshments of 30 minutes in the morning and of 15 minutes in the afternoon.

Agenda†

The Representative of Malta proposed that under Item 3—International Developments, there should be a separate sub-item on the question of the Mediterranean. Senior Officials took note of this suggestion but felt that, having regard to the construction of the agenda, the matter could appropriately be considered under Item 3a—World Political Scene.

The Representative of The Gambia confirmed that his Head of Government would wish to raise, under Item 4—Commonwealth Co-operation, the establishment of a Commonwealth Human Rights Commission, and to seek a substantive discussion on it.

In the light of the foregoing, and noting that Heads of Government would themselves be discussing early in their proceedings the style and format of their Meetings, Senior Officials recommended the following Agenda for consideration. Relevant papers are indicated in brackets after each item.

1. OPENING SESSION

2. ORDER OF AGENDA AND FORMAT
(Secretary-General's letter of 19 June)

3. INTERNATIONAL DEVELOPMENTS

(*a*) *World Political Scene*
[Commonwealth Ministerial Committee on Belize—HGM (79) 8]

(*b*) *South East Asia*

(*c*) *Southern Africa*
[Report of the Commonwealth Committee on Southern Africa June 1977–June 1979—HGM (79) 10]

(*d*) *World Economic Situation and Prospects*
[Background paper by the Secretariat—HGM (79) 11]
[Energy—Memorandum by the Government of Fiji—HGM (79) 16]
[Housing, Urbanisation and the Environment—Memorandum by the Government of the Democratic Socialist Republic of Sri Lanka—HGM (79) 18]

* Not printed.
† The Agenda eventually adopted by Heads of Government is in HGM (79) 22.

4. COMMONWEALTH CO-OPERATION
[Seventh Report of the Commonwealth Secretary-General]
[Commonwealth Film and Television Institute—Memorandum by the Government of the Republic of Cyprus—HGM (79) 17]

(*a*) *Industrial Co-operation*
[Commonwealth Programme on Industrial Co-operation—HGM (79) 12]

(*b*) *Island Developing and Other Specially Disadvantaged Members*
[A Programme of Action—HGM (79) 6]
[Problems and Prospects for Socio-Economic Development of Small Disadvantaged Island Developing Economies—Memorandum by the Government of Tonga—HGM (79) 19]

(*c*) *Commonwealth Fund for Technical Co-operation*
[The Case for Growth—HGM (79) 13]

(*d*) *Commonwealth Youth Programme*
[Memorandum on the Programme—HGM (79) 7]

(*e*) *Commonwealth Foundation*
[Memorandum by the Chairman and Trustees—HGM(79) 4]
[Note by the Foundation—HGM (79) 5]

(*f*) *Studies Mandated by the Heads of Government Meeting 1977*
(i) *Relationships between the Official and Unofficial Commonwealth*
[Memorandum on the Advisory Committee—HGM (79) 9]
(ii) *Women and Development*
[Memorandum on Women and Development—HGM (79) 14]

5. REPORT OF THE COMMITTEE OF THE WHOLE

6. OTHER BUSINESS
[Resolutions of Ministers of Health and Commonwealth Youth Leaders——HGM (79) 15]

7. COMMUNIQUE

Timetable

Senior Officials recommended as a possible timetable that in Annex 1.

Committee of the Whole

Senior Officials receommended that, in accordance with past practice, the drafting of the Communiqué should be remitted to the Committee of the Whole.

In addition, it was further recommended that Heads of Government remit to the Committee of the Whole, for initial consideration with a view to making recommendations, the following subjects:

(i) Commonwealth Youth Programme—HGM (79) 7
(ii) Commonwealth Foundation—HGM (79) 4 and 5
(iii) Memorandum on the Advisory Committee on Relationships between the Official and Unofficial Commonwealth—HGM (79) 9
(iv) Memorandum on Women and Development—HGM (79) 14
(v) Resolutions of Ministers of Health and Commonwealth Youth Leaders—HGM (79) 15

The Representative of Cyprus indicated that his Head of Delegation might wish to have the proposed establishment of a Commonwealth Film and Television Institute likewise remitted to the Committee of the Whole.

Petitions

Senior Officials recommended that petitions addressed to the Meeting as a whole should be referred by the Secretary-General to the Chairman and to the Head of Government concerned, in consultation with whom a decision would be reached on the action taken; and that petitions addressed to individual Heads of Government should be forwarded to them.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
31 July, 1979

11882

ANNEX 1 to
HGM (79) 3

PROPOSED TIMETABLE

Date	*Session*	*Time*	*Agenda item*	*Subject*
Wednesday 1 August ...	1	1025		Opening Session
	2	1445	2	Agenda and Format
			3a	World Political Scene
Thursday 2 August ...	3	0930	3a	World Political Scene
			3b	South East Asia
	4	1445	3d	World Economic Situation and Prospects
Friday 3 August	5	0930	3c	Southern Africa
	6	1600	4b	Island Developing and Other Specially Disadvantaged Members
		WEEKEND		
Monday 6 August ...	7	0930	3d	World Economic Situation and Prospects
	8	1445	3d	World Economic Situation and Prospects (if necessary)
			3c	Southern Africa
Tuesday 7 August ...	9	0930	3c	Southern Africa (if necessary)
			4	Commonwealth Co-operation
			4a	Industrial Co-operation
	10	1445	4a	Industrial Co-operation (if necessary)
			4c	Commonwealth Fund for Technical Co-operation
Wednesday 8 August ...	11	0930		Report of the Committee of the Whole:
			4d	Commonwealth Youth Programme
			4e	Commonwealth Foundation
			4f	Studies Mandated by HGM 1977:
				(i) Relationships between the Official and Unofficial Commonwealth
				(ii) Women and Development
			6	Other Business
	12	1445	7	Communiqué and Closure

THE COMMONWEALTH FOUNDATION
AN INCREASED INCOME AND A BROADENED MANDATE

MEMORANDUM BY THE CHAIRMAN AND TRUSTEES OF THE COMMONWEALTH FOUNDATION

At their meeting in Kuala Lumpur in November last Senior Commonwealth Officials had before them a paper from the Trustees of the Commonwealth Foundation (SOM (78) 3). It urged the case for an increase in the Foundation's annual income and for some widening of its existing mandate, as recommended by the Commonwealth Advisory Committee on relationships between the official and the unofficial Commonwealth.

2. Discussion revealed a wide measure of agreement among Senior Officials that the Foundation's income should be increased and its role expanded. Summarizing the views expressed, the Commonwealth Secretary-General said that he had been greatly heartened by the support for the work of the Commonwealth Foundation which he regarded as an essential element in the Commonwealth fabric. He hoped that the expressions of appreciation of the Foundation's work would be matched by financial support both for the Foundation's present activities and for such expansion of the Foundation's role as governments considered appropriate.

3. Against that background this further paper is submitted by Trustees to Commonwealth Heads of Government. At Annex I is an analysis of the Foundation's estimated financial requirements.

4. The achievements of the Foundation in carrying out the mandate laid upon it by Heads of Government in 1965 need not be repeated here. They have been documented in various papers and reports already circulated to Governments and are summarised both in (SOM (78) 3) and in the booklet entitled *The Commonwealth Foundation: Aims and Achievements 1966/1978*. Much independent evidence is available to suggest that professional growth has been stimulated, and professional and technical interaction promoted at national, regional and pan-Commonwealth levels. The Foundation for instance now supports 17 national Professional Centres and 20 Commonwealth-wide Professional Associations. Well over four thousand professionals and sub-professionals from almost every known field of activity have been helped to visit their counterparts and colleagues in other Commonwealth countries and to share their experiences. Eight long-term bursary and exchange schemes are in operation. Many *grass-root* regional projects have been undertaken and a useful series of publications launched. It seems in short to be accepted that the Commonwealth Foundation has a worthy record; and that its Trustees have disbursed its limited resources both cost-effectively and with efficiency.

5. In today's world all governments need to make maximum use of the talents of professional men and women in nation-building. As the national professional base broadens to include newer professions directly involved in the development process, it is indisputable that one major factor in promoting development is the strengthening and reinforcement of professionals.

6. And, as the professional base expands it becomes essential to maintain adequate and acceptable standards of competence: to recognize and to support the role which the professions can and must play in the broad development process and to encourage purposeful interaction among professionals. Indeed, the complexity of the development tasks facing governments and the acknowledged need for an inter-disciplinary approach to most such problems call for greater interaction among professionals, both nationally and in Commonwealth-wide

terms. The Foundation seeks both to strengthen and to expand on such activities as will enhance the contribution which individual professionals, their recognized organizations, research institutes, universities, etc., can and should make to their various communities.

7. The Foundation's Trustees have to date made a considerable investment in the establishment of national Professional Centres and of Commonwealth-wide Professional Associations. Indeed thirteen years experience firmly underlines the continuing value of the Foundation's support for both Centres and Associations. The success of the former creates demands for similar facilities elsewhere in the Commonwealth. The growing viability of the latter generates new types of project activity as the Associations move forward from their primarily institutional role. Indeed it would seem shortsighted at this point in time if the Foundation through lack of adequate resources, proved unable to maintain its support for these two major initiatives. The net result might well be the loss of the original and sizeable investment. It would seem more prudent to provide some further support in those deserving cases which demonstrate that such assistance would result in their viability. Meanwhile, the Trustees will continue, as in the past, to monitor the performance of these and other of their activities and will constantly re-examine on-going programmes with the aim of releasing available allocations for other innovative programmes.

8. Heads of Government may recall that, when the Commonwealth Foundation was created in 1966, its annual income was set at £250,000. In July, 1976, that figure was increased from £450,000 to £670,000 per annum, at which point it has since stood. Inflation alone would now suggest an annual income of some £900,000; if only on the basis of a ' nil real growth ' in activities.

9. But, the inflationary factor apart, account must also be taken of the steadily increasing calls on the Foundation within its current terms of reference and of the costs potentially involved in broadening that mandate, should Heads of Government be disposed to accept the recommendations from the Commonwealth Advisory Committee in that context.

10. Another major factor bearing on the Foundation's financial resources is that whereas membership of the Commonwealth has almost doubled since 1966 the contributions made by the more newly independent governments to its funds are vastly outweighed by the claims for financial aid received. Political independence has properly brought in its wake a healthy growth in the number of independent professional and sub-professional associations, institutes of higher learning, research and so forth. In short, worthwhile requests for aid from professional bodies and individuals in countries which have attained independence in the past few years have far out-stripped the contributions which their governments can make to the Foundation's annual income. To this must be added the obvious general point that as the activities of Trustees become more widely known, so demands on the Foundation's resources increase across the board.

11. The Trustees recognise that these are times of economic austerity in most member countries. Yet they believe that the faith which led Heads of Government to establish the Foundation has been amply justified. On the basis of its record over the past thirteen years, and of expanding needs, Trustees conclude that a strong case exists for an increase in the Foundation's current income. In addition to the effects of inflation that case is based on the three following priorities: first, the need to enable the Foundation to maintain its current level of activities, as laid down in its original terms of reference; second, the provision of the necessary funds to permit the Trustees to respond to expanding calls upon them within the existing mandate; and third, provision for the funding of innovative programmes in areas recommended by the Commonwealth Advisory Committee.

12. In its report the Commonwealth Advisory Committee had recommended an expanded remit for the Foundation to include such new areas as culture, information and the media; social welfare and the handicapped; rural development and the role of women. To a limited degree Trustees have already ventured on these areas: witness their promotion of training schemes for Commonwealth journalists and their experimental and highly successful pump-priming grant for a Commonwealth cultural presence at Edmonton '78.

13. Subject to the views of Heads of Government on the Report from the Advisory Committee there is a number of ways in which, with an expanded remit, the Foundation could help in making the Commonwealth a living reality. As to the media, support could be offered to the proposed Commonwealth Journalists' Association while existing bursary schemes and exchange visits between practising journalists could be expanded. In the cultural field the resounding success of the Edmonton Festival '78 has created demands not only for the establishment of a truly Commonwealth-wide Arts Council but for a widening range of individual and collective Commonwealth cultural manifestations linked in part, though not wholly, to the Brisbane Commonwealth Games of 1982. In relation to the handicapped, much more could be done to build on earlier small-scale but successful programmes relating to the blind, the deaf, spastics and paraplegics. Marrying together the themes of rural development and the role of women, experience suggests numbers of national and regional projects in which the Trustees could play a useful role in support rather than in duplication of the work of CFTC and other agencies. The contribution which professionals could make in such fields is virtually unlimited. The will to help is there. But all too often the funds are lacking.

14. If, therefore, the Commonwealth Foundation is to remain the flexible, imaginative instrument which Heads of Government first conceived it to be; if it is to retain its capacity to innovate as an instrument of the Commonwealth at the grass-roots level, then its Trustees would readily accept the wider challenges suggested for it by the Commonwealth Advisory Committee.

15. To sum up, Heads of Government are invited to reaffirm their support and encouragement for the Foundation in its efforts to promote and expand the activities of professionals and professional bodies throughout the Commonwealth; to take account of the inroads made since 1976 by inflation on its current income; and to agree to some widening of its mandate on lines recommended by the Commonwealth Advisory Committee.

16. In the light of the analysis at Annex I forecasting expenditure on current and expanded activities *Heads of Government are thus invited to approve a revised income for the Commonwealth Foundation, as from its financial year beginning July 1, 1979, in the sum of £1·1m per annum.* It will be noted that the increased income now sought is substantially less than the figure of between £1¾–£1½m which had been proposed to Senior Commonwealth Officials at their meeting in November last. The Trustees hope that Heads of Government will recognise this further effort on their part, at a time when governments are faced with many other weighty problems, to reduce the calls on their resources; and that they will find it possible to pledge the increased contributions required.

17. In an accompanying document (HGM (79) 5) Foundation staff have tabulated the revised contributions which member Governments would be asked to subscribe, should an increased annual income of £1·1m be approved.

18. The Trustees finally suggest that the Foundation's income should in future be reviewed at two-yearly intervals.

Commonwealth Secretariat
Marlborough House
London SW1
June 1979

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S*

ANNEX 1 to
HGM (79) 4

ANALYSIS OF CURRENT AND PROSPECTIVE EXPENDITURE

A. Current expenditure

Approved income for the year ending 30 June, 1979, stood at £670,000. Contributions received as at 31 May totalled £642,500. The shortfall of £27,500, representing 4 per cent of total income, was due to the failure of six Governments to remit their contributions, three of which involved arrears stretching back over a two to three year period.

2. This paper has necessarily been written before the close on 30 June of the Foundation's current financial year. Thus, it does not present a complete picture of grant-making expenditure. An indication of the pattern can, however, be gained from the 1977–78 accounts when the broad distribution of grant expenditure was as follows: —

Minor projects and individual awards—£110,000

Major conference activities—£100,000

Support for Professional Associations—£160,000

Support for Professional Centres—£40,000

Bursary schemes—£20,000

Special projects and publications—£91,000

3. It must be stressed that the above figures relate to actual disbursements. They do not in all cases reflect expenditure committed into future years. This is particularly true of Professional Centres, where money has been allocated but the timing of expenditure is unpredictable due to building or leasing programmes. The current forward commitment by Trustees for Professional Centres is in fact of the order of £150,000.

4. The Foundation's reserves currently stand at £427,000 of which £100,000 is maintained as a permanent contingency reserve. Taking account of those reserves and of other known forward commitments, it is forecast that the Foundation will, at 30 June, 1979, have an excess of commitments of £125,000. Projecting that position to 30 June, 1980, and assuming that grant-making were to continue at its present level and that all known commitments were to be called to account by mid-1980, the Foundation would by then have exhausted its current income and reserves.

5. While headquarter costs have consistently been contained within budgeted figures, the figures themselves inexorably rise year by year with inflation. For 1978–79 they stand at £154,760 or 23 per cent of the Foundation's current income. That is a high figure. But while the Foundation's income has remained static that figure has inevitably increased and will continue to do so as long as this continues to be the case. If, however, annual income were to rise to £1,100,000 in 1979–80, the percentage relationship would fall sharply to around 14 per cent, compared to the comparable figure for 1976–77 of 16 per cent.

6. It is against this background of cash-flow problems and continuing inflation that Trustees have been obliged to curtail grant-making activity during the current financial year when it is estimated that grant expenditure will be of the order of £450,000 as against the 1977–78 total of £520,000. To take only one recent example, major grants sanctioned at one bi-annual Board meeting in December, 1978, totalled £92,000 as compared to a figure of some £260,000 at the comparable date in 1977.

B. Analysis of further funds required to maintain momentum of current annual activities

7. While every effort is made here to respond to the earlier request of Senior Commonwealth Officials for a detailed forecast of expanding Foundation expenditure under its current remit, two points must be stressed. First, if Trustees are to retain their capacity to respond flexibly to constantly changing needs, then they could hardly tie themselves to rigidly costed formulae or programmes. Second, if the Foundation is to remain both responsive and innovative, then within broad categories of professional activity dictated by past experience programmes and policies must largely depend on the weight and emphasis placed by the Commonwealth at large at particular points in time on current and foreseen professional needs and priorities.

8. It is with these reservations in mind that the following forecast is presented, relating to the categories of activities listed in paragraph 2 above:

	Current annual level of expenditure	*Increase envisaged*	*New level of expenditure*
	£	£	£
1. *Minor projects and individual awards*	110,000	50,000	160,000
Experience shows that this is an area of growing need and that expanded activities here should now take precedence over category 2 below (conference activities). Awards to individuals form a large part of the Foundation's day-to-day activities. Requests for help grow steadily as knowledge of the Foundation itself expands and its own activities extend into new areas *e.g.* rural development and the sub-professions generally. A substantial increase in funding in this field would seem justified.			
2. *Conference activities*	100,000	Nil	100,000
Less emphasis is now placed on this type of activity since the positive returns are more questionable. Thus, allowing for the effects of inflation on air fares and subsistence, the conclusion is that expenditure can be held to current levels.			
3. *Commonwealth Professional Associations (CPAs)* ...	160,000	50,000	210,000
The newly formed Association of Agricultural Scientists (the twentieth in this category) particularly deserves support. Further Associations of *e.g.* Tax Administrators, Management, Insurance, Dentistry and Accountancy are at the planning stage. The greater the number of national associations brought into being through the actions of CPAs, the heavier the demands on Foundation funds become. Increasing Commonwealth membership in turn generates fresh requests for help and further practical intra-Commonwealth programmes. This in short is a major area of expansion.			
4. *Professional centres*	40,000	75,000	115,000
Requests for new or continued aid have recently been received from *e.g.* Malaysia, Sri Lanka, Barbados, Jamaica, Zambia, Malawi and Australia. There are also prospects for the creation of Professional Centres in India, Ghana and Nigeria. To maintain and expand on this successful venture (and perhaps to revive the Centre in Uganda) would require substantial additional funding.			

	Current annual level of expenditure	*Increase envisaged*	*New level of expenditure*
	£	£	£
5. *Bursary schemes*	20,000	25,000	45,000
Those launched to date have amply proved their worth, attracting further applicants each year. To the existing categories have now been added geographers, architects and young Canadian professionals. Even to maintain the current momentum would require additional annual funds.			
6. *Special projects and publications*	91,000	25,000	116,000
This is one area of the Foundation's work in which projects are generated through new personal contacts, travel overseas, follow-through to earlier small-scale individual awards, etc. Experience suggests the need for some modest increase in current allocations.			

To sum up, the continuation of current programmes would, allowing for inflation and reasonable expansion, require annual funds of the order of £225,000.

C. Expanding activities

9. Should Heads of Government agree to some broadening of the Foundation's mandate, as is indeed already under way, the following costings within categories listed by the Commonwealth Advisory Committee are tentatively advanced: —

(*a*) *Information and the Media*

Support for *e.g.* (i) expansion of existing Foundation bursary and training schemes for journalists; (ii) the creation of a Commonwealth Association of Journalists; (iii) the possible creation of a Commonwealth Film and Television Institute—£40,000

(*b*) *Culture*

In pursuance of the Foundation's contribution to Commonwealth cultural activities at Edmonton '78: (i) support for the proposed Commonwealth Arts Council; (ii) other cultural activities and exchanges prior to, and in connection with, the Brisbane Games, 1982; (iii) individual awards to Commonwealth artists (an increasing number of applications is now being received, only to be rejected)—£50,000

(*c*) *Rural Development and the Role of Women*

These are now crucial areas of activity where Commonwealth professions and sub-professions could play key roles with Foundation support to supplement regionally and nationally the activities of other agencies. Trustees have already gained some experience in these fields and are confident that they could, funds permitting, make a much enhanced contribution—£80,000

D. Other areas for action

10. Outside both the Foundation's current terms of reference and the recommendations of the Commonwealth Advisory Committee lie such areas as: (i) support for a Commonwealth Association for Trade Union Education and Exchanges; (ii) support through the Commonwealth Games Federation and other relevant bodies towards medical problems relating to sport, sports administration, etc.

11. Some governments attach particular importance to such areas and have urged that the Foundation should play a role within them. Should Heads of Government agree to some exploratory pilot programmes in such fields, it would be reasonable to budget for an annual fund of—£20,000

Summary of additional income proposed over two year period 1979–80—1980–81

(1) Maintenance of existing activities—£225,000

(2) Expansion of activities—£190,000

(3) Increased headquarters costs—£15,000

12. Thus, the overall increase in annual income sought is of the order of £430,000.

COMMONWEALTH FOUNDATION REVISED CONTRIBUTIONS REQUIRED FROM MEMBER GOVERNMENTS TO ATTAIN AN ANNUAL INCOME OF £1·1m

NOTE BY THE COMMONWEALTH FOUNDATION

The attached table shows, as mentioned in paragraph 17 of HGM (79) 4, existing national contributions to the Commonwealth Foundation together with a projection, based on the same percentage factors, of the pledges required of member governments should a revised annual income of £1·1 million be achieved.

Commonwealth Secretariat
Marlborough House
London SW1
June 1979

COMMONWEALTH FOUNDATION

CONTRIBUTIONS

Member Country	*A* *Existing contributions*	*B* *Percentage of total income*	*C* *Revised contributions based on percentages in Col. B to achieve income of £1,100,000*
	£	%	£
Australia	75,000	11·20	123,200
Bahamas	2,750	0·41	4,510
Bangladesh	3,000	0·45	4,950
Barbados	3,000	0·45	4,950
Botswana	1,750	0·26	2,860
Canada	215,000	32·00	352,000
Cyprus	2,475	0·37	4,070
Fiji	3,000	0·45	4,950
The Gambia	2,250	0·33	3,630
Ghana	7,000	1·04	11,440
Grenada	1,750	0·26	2,860
Guyana	3,000	0·45	4,950
India	33,750	5·04	55,440
Jamaica	9,300	1·39	15,290
Kenya	7,000	1·04	11,440
Lesotho	1,750	0·26	2,860
Malawi	7,700	1·15	12,650
Malaysia	4,500	0·67	7,370
Malta	3,000	0·45	4,950
Mauritius	3,000	0·45	4,950
New Zealand	17,325	2·60	28,600
Nigeria	10,000	1·50	16,500
Papua New Guinea	2,500	0·37	4,070
Seychelles	1,750	0·26	2,860
Sierra Leone	7,000	1·04	11,440
Singapore	5,400	0·80	8,800
Sri Lanka	4,500	0·67	7,370
Swaziland	2,250	0·33	3,630
Tanzania	7,000	1·04	11,440
Tonga	1,750	0·26	2,860
Trinidad & Tobago	7,000	1·04	11,440
Uganda	4,500	0·67	7,370
United Kingdom	200,140	30·00	330,000
Western Samoa	1,750	0·26	2,860
Zambia	7,000	1·04	11,440
	£669,840	100·00	£1,100,000

A PROGRAMME OF ACTION TO ASSIST THE ISLAND DEVELOPING AND OTHER SPECIALLY DISADVANTAGED COUNTRIES OF THE COMMONWEALTH

MEMORANDUM BY THE COMMONWEALTH SECRETARY-GENERAL

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2. *The Special Problems of Small States: The Developing Island Countries of the South Pacific.* Extracts from a Memorandum by the South Pacific Bureau for Economic Co-operation ...
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4. Report of the Meeting on Problems of External Finance for Small Islands (Apia, 10–12 April, 1979) ...
5. Summary Extract from Bulletin No. 32 on GATT Multilateral Trade Negotiations prepared by the Commonwealth Secretariat Trade Adviser in Geneva, 30 April, 1979* ...

SYNOPSIS

This memorandum represents the culmination of an extensive exchange of views within the Commonwealth as to the character of the special disadvantages faced by a growing proportion of its developing member countries and the ways in which a Commonwealth effort can be brought to bear to assist in their alleviation. It reflects a growing concern—which has been clearly adumbrated at a variety of levels over the last two years—that the special problems arising from small population, limited land area, scarce natural resources, a paucity of economic opportunities and isolation, whether geographical or geopolitical, can only be met by special forms of assistance. The memorandum is thus a response to that

* Not printed.

imperative. In preparing it the Secretariat has been greatly assisted by the advice and guidance of many member countries and a particular effort has been made to take full account of the concerns and anxieties of the disadvantaged countries themselves, many of which are newly independent and whose need for such assistance is urgent.

The measures of assistance recommended are not intended to constitute a formal, institutionalised programme of action. As is emphasised later, many are an elaboration of a number of ongoing programmes which Commonwealth Governments, regional institutions and the Secretariat already provide. The objective is to lend these a clearer dimension so far as island developing and other specially disadvantaged countries are concerned and, in circumstances where no such assistance is available from existing sources, to propose additional measures designed to fill such gaps. Not all of the measures will suit all of the disadvantaged countries and it will of course be for the governments of the countries concerned to judge which of the available forms of assistance they wish to choose and to seek the assistance they need from other member countries or the Secretariat in accordance with their own national objectives and priorities.

Although some of the action proposed is already under way or involves, at most, a supplementation of existing bilateral or multilateral programmes, there will inevitably be some incremental costs, both to those member Governments which are willing to assist and to the Secretariat. It is to be hoped that the larger Commonwealth countries will now be in a position to confirm their commitment to respond to requests from island developing and other specially disadvantaged countries.

So far as the Secretariat is concerned, it is not envisaged that there will be any establishment implications in the immediate future. The diversity of the proposed measures is such that the additional workload will be spread widely among the various divisions of the Secretariat, including the CFTC. However, depending upon the manner in which the programme evolves and the volume of assistance sought from the Secretariat, additional staff may in the longer term be required. In practice, much of the additional Secretariat action will be in the form of programme expenditure by the CFTC and will thus be absorbed within the CFTC's total budget. The question of CFTC financing is the subject of a separate memorandum to Heads of Government.

A number of governments have expressed a strong wish that the programmes of assistance should be implemented as soon as possible. If this objective is to be met, it will be helpful to have not only commitments to assist on the part of donor governments but also clear indications of the areas in which they can offer assistance immediately. If the recommendations for action by the Secretariat are endorsed by Heads of Government, arrangements for their implementation can be set in train immediately.

It will also be important to ensure that the assistance available is brought to the attention not only of all Commonwealth Governments but also of those international and regional organisations whose co-operation and support will be essential to the effective implementation of many of the proposed measures.

I. INTRODUCTION

1. The international community has increasingly come to recognise in recent years that the problems faced by some developing countries require special forms of assistance. The UN has, for example, identified several categories of specially disadvantaged developing countries and has called for special programmes of assistance designed to offset the particular disadvantages of such groups as the least developed, the land-locked and the island developing countries.

2. Among the developing member countries of the Commonwealth there are many that are specially disadvantaged. The particular problems that they face spring from a variety of factors, some of which are often found in combination: a small population, limited land area, geographical or geopolitical isolation, scarce resources or limited economic opportunities. Taking small population as a characteristic, it can be noted that there are already 20 member states with populations of approximately one million or less, and in addition most have at least one or more of the other special disadvantages to contend with. Fifteen of these countries are island states, three are land-locked and two are coastal states. The number of specially disadvantaged Commonwealth member countries is, moreover, expected to increase substantially in the near future as many of the remaining dependencies become independent; with the exception of Zimbabwe, Namibia and Belize, all the prospective new members are small islands which, by virtue of their size alone, will undoubtedly require special forms of assistance. (See Annex 1.)

3. The Commonwealth has both a particular responsibility and, by drawing on the resources and experience accumulated in other member countries, an undoubted capacity to assist these member countries to overcome many of their problems and thus achieve a greater measure of self-reliance. A Commonwealth effort can also serve to strengthen wider international action in favour of such countries.

4. Commonwealth concern over the particular problems of its island and other specially disadvantaged member countries, which has given rise to the proposals embodied in this memorandum, has steadily grown in recent years. It began as a concern specifically with the problems of small island states which found expression at the Meeting of Commonwealth Finance Ministers in Barbados in September 1977. Finance Ministers, having considered a paper commissioned by the Secretariat (from Mr. E. Dommen of UNCTAD) entitled *Mobilising External Finance for Small Island Economies in the Commonwealth*

> " noted the special characteristics of small island economies, particularly their fragile nature, extreme dependence on exports and imports, high dependence on capital inflows and in some cases the lack of natural resources. They stressed that per capita income was not necessarily a reliable criterion for the quantity and quality of assistance needed by these countries. They urged the international community to adopt a more flexible and realistic approach to the requirements of these countries and special measures to assist them. Such measures should be at least parallel to policies now being considered in favour of least developed and land-locked countries."

5. At their Regional Meeting in Sydney in February 1978, Commonwealth Heads of Government from Asia and the Pacific considered a more general agenda item on the *Special Problems of Small States* and reviewed a paper on the subject, prepared by SPEC.* Recognising that many other countries, similarly disadvantaged, lay in other regions of the Commonwealth, they recommended that Commonwealth-wide programmes of support for the smaller member countries should be initiated and invited the Secretary-General to seek general Commonwealth support for such programmes. It was noted that the next meeting of Commonwealth Senior Officials would provide a useful opportunity to pursue the matter. (The relevant section of the Sydney communiqué is in Annex 3.)

6. Subsequently, at their last meeting in Montreal in September 1978, Commonwealth Finance Ministers " recalling their agreement on the need for special measures to assist small island economies, and the conclusions of Commonwealth Heads of Government of the Asian and Pacific Regions earlier this year . . . looked forward to early consideration by Governments of special Commonwealth programmes to assist small states throughout the Commonwealth ".

* A summary of the proposals contained in the SPEC paper *The Special Problems of Small States* is attached as Annex 2.

7. In response to these calls for Commonwealth action, the Secretariat prepared a detailed memorandum for consideration by Commonwealth Senior Officials at their meeting in Kuala Lumpur in November 1978. Senior Officials endorsed the need for a special Commonwealth effort in this area and, at the same time, clarified a number of important questions relating to the problems of nomenclature and the degree of institutionalisation that any new Commonwealth programme would require. Secretariat's proposals were revised in the light of the Kuala Lumpur discussion and then considered in greater depth at a special meeting of Commonwealth representatives in London in April 1979. At that meeting a further broadening of the scope of the proposed programme was achieved when it was agreed that the measures of assistance should be available to all developing Commonwealth countries which suffer from one, or a combination of the disadvantages of small population, limited land size, scarce natural resources, a low level of economic opportunity and geographical or geopolitical isolation.

8. The present memorandum reflects this broader scope and the various measures of assistance which are elaborated below are therefore directed towards both the island developing countries and other specially disadvantaged members of the Commonwealth.

9. The memorandum comprises three sections. The first describes the particular characteristics which distinguish the island developing and other specially disadvantaged countries and indicates the kind of problem each characteristic, or a combination of them, gives rise to. The second section focuses on the specific developmental problems that confront the specially disadvantaged states and, taking into account existing and planned Commonwealth programmes of assistance to developing countries, suggests possible measures which the Commonwealth might adopt to alleviate these problems. The third section assesses the problems that such states encounter in pursuing their national interests at an international level and suggests a number of means by which Commonwealth countries and the Secretariat can assist.

10. The assistance proposed is predicated on the assumption of independence and the wishes of the country concerned. The proposals are designed to increase the capacity of member governments and the Secretariat to respond to the range of problems that island developing and other specially disadvantaged member countries encounter and which, on the basis of their national priorities, they wish to seek help in alleviating. Indeed, throughout the preparation of this memorandum, care has been taken to ensure that each measure of assistance accords with the expressed wishes of the member governments concerned.

11. The proposed programme of assistance elaborated in this paper takes account of the wide range of measures of assistance that now exists both at the bilateral and multilateral levels within the Commonwealth and beyond. Many Commonwealth countries already provide valuable bilateral assistance to the island developing and other specially disadvantaged member states. One such example is the New Zealand Government's Pacific Island Industrial Development Scheme which is designed specifically to help promote investment and employment opportunities in the smaller island states of the South Pacific. Similarly, many of the existing activities of the Commonwealth Secretariat also benefit island developing and other specially disadvantaged states (as well as other developing countries) and some new activities such as the proposed Commonwealth programme of industrial co-operation (which is the subject of a separate paper submitted to Heads of Government) will be of much potential benefit to the island developing and the other specially disadvantaged member countries.

12. The proposed measures are designed to draw on and supplement these bilateral and multilateral programmes of assistance wherever possible, taking care to avoid unnecessary duplication of effort. Most of the actions proposed have a regional dimension and in many cases assistance, both from member countries and the Secretariat, can clearly be most productive if channelled through established regional programmes and institutions. It is important to remember, however, that

in certain circumstances individual countries may prefer to receive assistance directly rather than through regional arrangements; while recognising the advantages of the latter there is need to be flexible in order to respect the sovereign right of recipient countries to make their own choice.

13. It also needs to be acknowledged that while the countries concerned suffer many common disadvantages, the solutions are not always identical; differences of culture, social and/or economic aspiration, and other qualitative factors often require a different response from country to country since each must be in full harmony with the national priorities of the country concerned. These considerations are generally recognised by most donor countries and agencies and are increasingly reflected in their programmes of assistance.

14. The measures recommended do not therefore constitute a totally new, institutionalised programme. They are, in the main, an elaboration of a number of activities currently being undertaken through bilateral aid programmes, and by the Secretariat within the broad framework of priorities established at the meeting of Senior Officials in Canberra in 1976. The objective of the current exercise is primarily to bring these activities into a more co-ordinated focus and to develop appropriate supplementary measures in relation to the special needs of the countries concerned.

15. While every effort has been made to cover the major problems identified by Commonwealth Regional Heads of Government at their Sydney Meeting, the Secretariat's proposals are by no means exhaustive. It is conceivable that in due course other forms of assistance designed to achieve the same overall objectives will be identified.

II. THE CONCEPTUAL ISSUE

16. The disadvantages of island developing and other specially disadvantaged countries derive from a combination of several of the characteristics which distinguish the least developed, the island and the land-locked countries from other developing countries. For the purposes of establishing a conceptual basis for a special Commonwealth programme of assistance the characteristics described below are each considered to be of particular significance.

17. The most fundamental and certainly the most easily identifiable factor is that of size of population. A number of distinctive constraints flow directly from limited population size—an inadequate reservoir of human resources, of potential producers, consumers or taxpayers to facilitate the attainment of self-generating development. There are, of course, cases where other circumstances have come into play which have permitted even small populations to overcome this handicap; but such cases are very much the exception.

18. Limited land area is not, in itself, always a constraint on the development process but a combination of small size and isolation is much more likely to be so, since long distances from larger neighbouring states—or, in archipelagos, long distances between the constituent communities—also give rise to serious communication problems. Isolated island states suffer the further disability of not having the convenience of larger neighbours who can help them to offset many of their other deficiencies. Certain land-locked states also suffer disadvantages of isolation and resultant communication difficulties which, in turn, have a depressive effect on both economic and social development. Several Commonwealth countries find themselves severely disadvantaged by such circumstances. Other factors of local, physical or political geography, particularly in countries with limited land area, can have an inhibiting effect on development prospects even in states which are not physically isolated from their neighbours.

19. Many Commonwealth States suffer from a limited, and in some cases, virtually non-existent natural resource base. Such countries are therefore more

vulnerable to the disruptions caused by outside influences such as the fluctuation of commodity prices. This effect is most apparent in the case of single resource states. The acquisition of 200 mile Exclusive Economic Zones may, in many cases, serve to substantially increase the potential resource base but the vulnerability of the countries concerned can only be reduced if they are able to take steps to exploit and to assert their sovereignty over the resources.

20. Limited population and available land area inevitably expose a country to a greater extent to adversity, whether a natural disaster such as a hurricane, a man-made disaster such as marine pollution, an epidemic, or the incipient effects of brain drain.

21. In recent years the concept of disadvantage has increasingly tended to be expressed in economic terms. Criteria based on economic factors must be regarded with some caution however. While the total GNP of a country is a broad indicator of the overall extent of economic activity and, as such, must be taken into account, average *per capita* income is a much less reliable measure of the actual economic circumstances of a country. While GNP *per capita* remains an important, and for the moment the only, indicator used to identify the low income of the least developed countries for the purposes of establishing development assistance priorities, it is of less value as an indicator of the particular disadvantages with which this study is concerned. In fact, a relatively high *per capita* GNP recorded in certain smaller countries, if considered in isolation, can disguise not only the actual level of real development but also the in-built constraints on future development prospects. In reality, therefore, the developmental problems of the island developing and other specially disadvantaged countries must be viewed within the broader context of prospects for economic transformation, greater economic self-reliance, the evolution towards more diversified and integrated economic structures, the inculcation of a wider range of skills, the development of a broader technological base together with the necessary infrastructure and the provision of a wider range of economic opportunities. Countries with limited populations and resources experience particular difficulty in achieving progress in most if not all these areas because of the uniformly high *per capita* costs involved in achieving any measure of economic transformation. It should be noted that most donor countries do not rely exclusively on GNP statistics in the allocation of official development assistance (ODA). Increasingly, other qualitative factors are considered; the particular circumstances and development priorities of individual countries are thus of growing importance to the whole question of development assistance.

22. On the international front, countries with limited resources experience considerable difficulty in pursuing their national interests abroad both bilaterally and in the multilateral context—particularly with regard to participation in international meetings whose deliberations can be of crucial importance to them. Financial constraints and/or manpower shortages often preclude the establishment of diplomatic missions abroad. The limitations on a country's representative capacity is therefore in itself a particular disadvantage; it is, moreover, one which the Commonwealth as a whole can do much to offset.

III. THE PROBLEMS OF DEVELOPMENT

23. Although island developing and other specially disadvantaged countries share many of the developmental problems of other developing countries, their capacity to overcome these problems is much more limited. Besides small populations, often dependent on subsistence agriculture, such states are characterised to a greater or lesser degree by limited natural resources, high relative distance to external markets, an undiversified economy, greater economic vulnerability due to export income being dependent on a narrow range of commodities (and in some cases a single product), serious balance of payments problems, high unemployment and underemployment, limited access to capital markets and, consequently, a heavy dependence on official aid from bilateral and multilateral sources. All these factors give rise to fundamental structural problems which block the process of economic transformation.

24. Even in circumstances where a favourable market or resource base situation results in relatively high *per capita* income, transformation of the economic structure does not necessarily occur. Thus, a relatively high income can continue to co-exist with an undiversified and underdeveloped economy, the absorptive capacity of which may remain at a low level.

25. Many of the economic disadvantages of smaller, remote states are experienced by communities within more developed countries. Such communities, however, normally benefit from a number of institutional support arrangements, or from various forms of direct national government support, such as:

(*a*) the provision of basic capital infrastructure, financed by a central body, including roads, electricity, telephone, postal and water supply facilities, schools, police services, etc.;

(*b*) subsidies for the establishment or maintenance of essential transport services;

(*c*) advantageous tax, loan and grant provisions to encourage the establishment of industries in isolated or depressed regions;

(*d*) automatic tariff-free access for the products of underdeveloped regions into the national market;

(*e*) the ready availability of expertise from outside the region to provide advice or to perform services—often on a short-term basis—which the remote area lacks the expertise to perform with its own personnel;

(*f*) provisions for a continuing free flow of surplus labour from within the backward areas to areas undergoing more rapid economic growth.

26. Not all of these arrangements would necessarily be appropriate in the context of a region containing a number of similarly disadvantaged sovereign states. But the absence of such automatic arrangements can be taken both to indicate some of the particular disadvantages that some independent states suffer from, and to suggest in some cases forms of special assistance that may be appropriate to offset those disadvantages.

Development assistance

27. Assistance with the establishment of basic economic infrastructure in island developing and other specially disadvantaged countries increasingly falls upon bilateral and multilateral aid donors and the continued expansion of support by donors will be of major importance in future. In the allocation of concessional assistance to countries with small populations it is to be hoped that developed Commonwealth countries will continue to acknowledge that measurement in *per capita* terms does not necessarily provide an accurate indication of need. The imposition of strict sectoral priorities by donors can also inhibit the scope for assistance to smaller countries and, here again, larger Commonwealth countries can do much to assist by adopting a flexible approach in the case of island developing and other specially disadvantaged countries.

28. One of the key factors which inhibits the implementation of many major projects, however, is the shortage of expertise—particularly noticeable in countries with limited populations—in the field of project identification and preparation. The capacity of the governments concerned to carry out this vital task badly needs to be augmented and the Commonwealth, by drawing on its extensive resources of expertise in these areas, can do much to assist. Larger Commonwealth countries can assist by providing appropriate technical assistance to countries with limited administrative capacity in the context of larger, administratively complex projects. The CFTC is currently investigating ways in which

it can help to fill this gap in future, either through the employment of expert consultants to carry out feasibility studies or by devoting increased technical assistance to governments in the identification of suitable projects, the preparation of requests to external financing agencies, and where feasible the implementation of projects. It is expected that the Industrial Development Unit which, under the proposed Commonwealth programme of industrial co-operation, is to be established within the Secretariat will play a valuable role in assisting countries to further their industrial priorities and to mobilise the necessary domestic and foreign resources for industrial development.

Financial Flows

29. While it does not appear that, compared with other developing countries, island developing and other specially disadvantaged countries suffer from lack of access to bilateral ODA, several factors conspire to hinder the flow of resources, particularly from multilateral development institutions. Criteria governing the distribution of concessional flows which are based solely on income do not take into account the particular structural problems of states and the constraints to their further development imposed by their special characteristics. Simple classifications like " middle income countries " can distort reality. Many smaller Commonwealth island states in particular find themselves in this position and the Commonwealth can assist in generating greater recognition of the problem in international financial circles and encouraging international financial institutions to introduce intermediate categories in their lending scales wherever these are justified.

30. While acknowledging that donors must continue to give priority to those developing countries with the lowest *per capita* incomes, developed Commonwealth countries can also assist by recognising the need to sustain and, where necessary, increase the flow of concessional assistance to island developing and other specially disadvantaged countries, even where the recipients enjoy a relatively high *per capita* income.

31. Another problem arises from the fact that the larger international financial institutions such as the World Bank and the IDA tend to concentrate their funds in relatively large loans. Thus, unless the intermediary institutions such as regional development banks, on which smaller countries must rely, are fully responsive to their needs, they will remain at a disadvantage in securing access to important sources of funds. Commonwealth countries in Africa and the Caribbean are served by the African and Caribbean Development Banks respectively; most of the island states of the South Pacific region rely increasingly on the Asian Development Bank to meet their particular needs. The Commonwealth as a whole, and particularly the developed member countries, can assist by encouraging regional development banks to take greater account of the smaller-scale requirements of many member countries for concessional finance. In certain circumstances there may also be a case for consideration of the establishment of additional intermediary institutions designed specifically to assist the smallest countries. It will be necessary to ensure however that the work of the regional development banks is not duplicated unnecessarily.

32. Island developing and other specially disadvantaged countries also experience difficulty securing access to private capital markets, essentially because of the high associated costs of raising relatively small loans. This problem is exacerbated by the lack of knowledge as to investment opportunities, both on the part of lenders and borrowers. Such states need information on sources from which funds are available and on those sources which are most appropriate for particular purposes. They also need assistance in negotiating loans from multilateral development institutions and private capital markets and in having their views represented in important financial centres such as London and Washington.

33. As part of the existing programme of assistance provided by the Secretariat, a meeting of Finance Officials from 20 Commonwealth island states was organised in Western Samoa in April, 1979, to discuss the special problems of small island countries in mobilising and utilising external finance. The Report of that meeting has been taken into account in the preparation of this memorandum.* The Secretariat is also arranging a series of seminars with a view to establishing more concrete means for improving the access of Commonwealth countries to international capital markets. These seminars will be of particular interest to island developing and other specially disadvantaged countries.

Food Production

34. In the Caribbean, South Pacific and in many African states, there undoubtedly exists scope for meeting a greater proportion of domestic food requirements from local production.

35. Many smaller countries—notably in Africa—have undiversified economies based on one or two export crops. In such cases a concentration on production for export often leads to neglect of domestic agriculture. In economies characterised by small local markets and limited scope for import substitution manufacturing, the expansion of food production for local consumption can act as a valuable form of economic diversification. Opportunities for agricultural development have been increased in some countries, especially island states, by the food requirements of an expanding tourist industry.

36. Some countries, notably the island states, are not classified as either Most Seriously Affected (MSAs) or Food Priority Countries (FPCs) by international food agencies such as FAO, IFAD and the World Food Programme and therefore often experience difficulty in securing assistance in raising domestic food production. They must therefore rely heavily on bilateral donors for such assistance. While it is recognised that in many cases assistance will also be required in the development of export-oriented food production and processing industries, special attention in the bilateral assistance programmes of larger Commonwealth countries could, consistent with the national priorities of the recipient state, be devoted to projects designed to raise food production and processing for local consumption particularly in those states that are economically dependent on export production.

37. The report of the Commonwealth Advisory Group on Food Production and Rural Development, prepared last year, provided an opportunity to focus Commonwealth attention on the deficiencies in food production experienced by many developing member countries. Commonwealth action flowing from this review will need to take careful account of the needs of island developing and other specially disadvantaged states. The transportation aspects of food supply will also require careful consideration, particularly in the case of isolated communities.

Public Administration

38. Administrative costs per head of population are relatively higher in countries with smaller populations because of scale considerations and the inadequate utilisation of administrative overheads. This is an important reason for the budgetary gap which tends to exist in such states and which requires grants-in-aid as a means of support. The problem is usually exacerbated by under-exploited taxable capacity arising from inadequate fiscal administration. Expertise is badly needed in some countries with regard to the taxation of transnational enterprises and the negotiation of double taxation agreements. Some countries of course have already developed a capacity in these fields through assistance provided bilaterally or by the Secretariat.

39. A major problem in improving the quality of administration is the difficulty that many smaller countries encounter in providing living and working conditions that some highly trained nationals consider sufficiently attractive. Some possible solutions present themselves however. Countries of the Caribbean region,

* The Report of the meeting is reproduced at Annex 4. Copies have been circulated separately to governments.

for instance, have been able to alleviate to some extent the problem of the brain drain by increasing the range of job opportunities in regional institutions for the highly trained nationals of the smaller countries. Other measures will however be needed if this problem is to be tackled in any substance.

40. Measures which the Secretariat could introduce or strengthen, in co-operation with other institutions such as the UN Division of Public Administration and Finance and UNITAR, to meet perceived needs, include:

(*a*) the provision of assistance for national and regional public service training schemes, including those offered at local or regional universities;

(*b*) the arrangement of courses and seminars for training in specific areas of need;

(*c*) support for the establishment of technical assistance groups for particular regions, wherever possible through existing regional institutions, and assistance in their staffing;

(*d*) the provision of specific technical assistance to improve administration, and

(*e*) arrangements for officers of requesting governments to attend training courses or undertake secondments in other governments in order to widen their range of skills.

41. Much valuable assistance in the field of public administration is already being provided by larger Commonwealth countries at the bilateral level. In responding to requests from island developing and other specially disadvantaged countries the governments of larger Commonwealth countries can assist by supporting training institutions which the former have established and by provision of enhanced public sector and academic training opportunities in their own institutions. Commonwealth countries can also collectively assist, on a regional basis, by hosting and/or contributing to regional seminars, training courses and university programmes—such as those offered at the University of the South Pacific, the University of the West Indies and the University of Mauritius—for the training of administrative staff. In some regions there may be greater benefit in channelling assistance into regional training institutions than through bilateral arrangements.

Tourism

42. Many Commonwealth countries, particularly the island states, provide a favourable environment for tourism development and tourism has emerged as a substantial, if not the major, industry in a number of these countries. However, the narrowness of the economic base in such cases tends to result in a low multiplier effect on incomes and employment and tourism in such states is characterised by a large direct leakage of the foreign exchange earned by the industry. While, in the early stages of its development, tourism can be a potential agent for economic diversification, this rarely occurs in practice because by its rapid growth it can effectively reverse the process of diversification. Where tourism emerges as a major activity it can also have adverse social and cultural effects and its promotion must be carefully related to local social and cultural objectives.

43. Developed Commonwealth countries are often in a position to assist smaller member countries with the establishment of tourist industries which serve the interests of those countries and there already exist some examples of successful bilateral assistance in this field. But much more can be done.

Transportation

44. The improvement of transportation facilities, both internal and external, is one of the most difficult developmental challenges faced by the island developing and other specially disadvantaged countries. The large capital investment required and the high running costs, especially of modern shipping and air services, pose

major problems for smaller developing countries and isolated island states in particular. The problems are rendered all the more difficult by low volumes of freight and traffic as against long distances and, often, the need for transhipment.

45. Experience has amply demonstrated that problems of external transportation can best be solved through regional co-operation and that regional schemes which are perceived as viable also tend to attract greater financial assistance from larger aid agencies. Although progress is often slow toward meeting the objectives of all participants, the advantages of a regional approach are clearly apparent and much constructive effort is being made by regional institutions, *e.g.* SPEC, to develop efficient regional transportation services. Commonwealth support therefore should, wherever possible, be channelled through regional initiatives.

46. On the international front UNCTAD has been active with regard to the consideration of the transport problems of island developing countries. An Expert Group which was convened in October 1977 to consider feeder and inter-island services by air or sea for these countries, found that in most circumstances there was a pressing need for the provision of better infrastructure. It also concluded that transport links with smaller outer islands were unlikely to be financially viable in the absence of subsidisation and that the form and financing of such subsidies had far-reaching social and economic implications. The international community was urged to assist in this regard.

47. The question whether aid donors should meet the cost of transport subsidies in developing countries is a contentious one. It is a fact, however, that the governments of developed countries subsidise transportation services in their more remote regions and the argument in favour of extending this principle into the aid arena, notwithstanding the complications involved, is a compelling one. It is especially convincing however in the case of the smaller, remote island states whose whole future depends on the adequacy and reliability of their transport links with the outside world. Commonwealth countries should sympathetically consider requests for subsidisation of transport costs from those countries which suffer from severe problems of isolation and where such requests raise potential problems in the context of other international obligations, seek to overcome those problems.

Trade

48. The question of securing greater access to major markets for the products of developing countries is one which is being pursued, directly or indirectly, in a number of multilateral forums.

49. Many Commonwealth states among the ACP Group already enjoy preferential access to the markets of the EEC on a non-reciprocal basis under the terms of the Lomé Convention, the renegotiation of which is currently in train. In the Caribbean, special terms of access for the products of the smaller states into larger markets in the region are provided for through CARICOM. In the South Pacific, although no regional arrangement has yet been established, the developed countries have established bilateral arrangements with certain of the developing countries in the region which provide for preferential, non-reciprocal access to their markets, *e.g.* the Australian/Papua New Guinea Trade Agreement (PATCRA) and New Zealand's Pacific Island Industrial Development Scheme. The Commonwealth Regional Consultative Group on Trade in the Asia/Pacific region is, *inter alia*, exploring ways of improving trading opportunities for the developing countries within the markets of developed countries of the region.

50. For the smaller, more vulnerable economies export-led growth is of even greater priority than for many other developing countries and the arguments in favour of enhanced consideration of the difficulties experienced by such countries in expanding their external trading links are particularly strong. Given the high

costs of transport and the distance of most of these states from major markets—a factor which serves to preclude their taking advantage of some of the preferential opportunities available—a regional approach to this question seems the most logical, indeed, perhaps, the only practical solution.

51. The limited capacity of most smaller economies to develop export industries reduces the prospect of these states offering any serious competition to the established developing or developed country producers. In many instances their exports would be extremely vulnerable to competition from larger countries. Nevertheless, because of the employment these industries would create and the economic activity they would generate, they can make a disproportionate contribution to the economic development of such countries. The case for providing special assistance to the island developing and other specially disadvantaged countries in the identification and exploitation of opportunities to secure access to larger markets for their industrial and agricultural exports, including exotic crops, is therefore one which could be given special attention at future Commonwealth regional and other trade meetings. Commonwealth countries can also, through their collective efforts, ensure that the needs of such states are taken more fully into account in the context of wider international trade arrangements.

52. The Secretariat, through its Export Market Development programme, can assist by devoting special attention to the particular problems that island developing and other specially disadvantaged countries face in expanding their export marketing capacity, and by assisting regional initiatives aimed at improving the trade performance of such countries.

Law of the Sea and Fisheries

53. The 200 mile Exclusive Economic Zone (EEZ) which is becoming available to all costal and island states means a considerable enlargement of the territory over which small island and coastal states will exercise economic jurisdiction. The management, development and surveillance of the EEZ will place heavy demands on these states which lack appropriate manpower and material resources to effectively exploit these new opportunities provided. They will need assistance with the choice of methods that will allow them to economically and effectively monitor fishing, mining and other activities within their EEZ and to enforce their sovereign rights in this domain; some member Governments have expressed the strong hope that the Secretariat will be able to assist them in overcoming these problems.

54. Many smaller island or costal states have experienced considerable difficulty in exploiting their fisheries resources which, in some cases, are very substantial. These countries need assistance with the identification of the resource base, the installation of the required infrastructure (including storage facilities), the training of fisheries experts and in some cases the development of marketing expertise.

55. The establishment of the Forum Fisheries Agency in the South Pacific is a highly positive innovation which merits the full support of all Commonwealth member governments concerned. It is a model which could well be emulated in other parts of the Commonwealth and participating countries should be encouraged to share their experience in this area with other Commonwealth countries.

56. The Secretariat is currently developing its expertise in fisheries and the Advisory Group on Food Production and Rural Development has proposed a number of measures for the development of fisheries in the Commonwealth. The Secretariat stands ready to co-ordinate its activities with such regional bodies as the Forum Fisheries Agency and the FAO and to provide technical assistance to those countries which seek it, both in the Pacific and in other regions of the Commonwealth.

57. The advantages of regional collaboration among smaller states as a means of increasing the size of economic units and their bargaining capacity are well recognised both within the Commonwealth and beyond. For many developing countries there exist virtually no alternatives to regional co-operation if they are to achieve economic viability. For almost all of the island developing and other specially disadvantaged states in the Commonwealth, regional co-operation is an even stronger imperative. The principle of regional co-operation is now well established in a number of areas, notably in the Caribbean and the South Pacific, several regional institutions have been formed and considerable progress has been achieved in confronting some of the more intractable problems faced by the more disadvantaged member states of the regional groupings concerned. Nevertheless, there exists considerable scope for action designed to accelerate progress in this direction. Commonwealth action which supplements and strengthens existing programmes at the regional level, will serve to enhance that progress.

58. Commonwealth governments, both developing and developed, can assist by encouraging the emergence of, and deepening their support for, regional integration movements or co-operation arrangements. More resources could be allocated, within the aid programmes of the developed members, to regional projects which are of identifiable benefit to the island developing and other specially disadvantaged countries of the region. In considering measures designed to encourage regional co-operation in such key areas as transportation, export marketing, training programmes and negotiation with foreign enterprises, particular account should be taken by larger Commonwealth countries of the particular vulnerability of such countries within these groupings.

IV. THE PROBLEMS OF INTERNATIONAL REPRESENTATION

59. The primary problem faced by specially disadvantaged countries in the field of international relations is their lack of resources, both human and financial. The lack of manpower affects their ability to staff not only missions and delegations abroad but also the relevant departments in the capital. Information transmitted back by diplomatic posts will be wasted if there is inadequate machinery to assess and utilise it. The lack of manpower is often exacerbated by a lack of suitably qualified specialist personnel which may only be remediable in the very long term. There also exists the problem of allocation of resources: the diplomatic service must compete with other government departments and the private sector in seeking to attract adequately qualified persons and the necessary funds.

Bilateral relations

60. To maintain a permanent mission of only a single diplomat with supporting secretarial and other staff can, on the basis of a conservative estimate, cost at least £50,000 annually.* The smaller the population, the higher the *per capita* cost involved. Moreover, in countries characterised by particularly low income levels, there could well be criticism that expenditure of this order on an overseas mission is out of proportion. Yet, in the absence of adequate diplomatic representation, countries suffer in a variety of ways *e.g.* the acquisition of political and economic information and contacts in other countries; the projection of the image and viewpoint of their country on a variety of political and economic matters; the development of commercial ties and export market promotion and the provision of consular and other services to their own nationals. The importance of each of these functions varies, of course, according to individual circumstances, but there clearly exists considerable scope for assistance to island

* The cost of a mission of 2, 3, etc., would not, of course, rise in direct proportion.

developing and other specially disadvantaged countries within the Commonwealth both individually and collectively in meeting these needs.

61. In a number of Commonwealth countries there still operates in the consular field what is known as the (unwritten) " Convention ". According to this, the local Government extends certain " consular facilities " to nationals of other Commonwealth countries which in foreign countries would normally be the responsibility of a consular post or consular section of a mission. One reason why Commonwealth countries may not in the past have felt the need to establish consulates in other Commonwealth countries lies in the similarity in many cases of their respective legal and administrative systems. The " Convention " can be relevant particularly where a country is primarily concerned about the well-being of its nationals living in another Commonwealth country or the issue of visas and passports.

62. Diplomatic representation can take a variety of forms. The norm is for one country to have a resident representative in another country. In some cases such a representative is also accredited to other countries which he visits from time to time. In most cases such multiple accreditation is decided upon for reasons of economy on the part of the sending state. Multiple accreditation is provided for in the Vienna Convention on Diplomatic Relations " unless there is express objection by any of the receiving states " (see Article 5). Commonwealth countries could assist by agreeing to support the accreditation of island developing and other specially disadvantaged countries' representatives to as many countries as practicable, bearing in mind that there will be limits to the capacity of small missions in this regard. Another alternative is what is popularly known as the ambassador-at-large who, although normally based in his home country, spends much time visiting other countries without necessarily having formal accreditation to them. Commonwealth countries could similarly agree to facilitate such an arrangement when requested if necessary on an *ad hoc* basis and, where practical difficulties attend the question of accreditation, to seek to overcome these.

63. Another established practice is for one country to ask another to represent it in a third. In many cases this happens where a country has previously been represented but withdraws its mission for one reason or another, but in other cases a country may request another to undertake the temporary protection of its interests and of its nationals in a third country in which it has not previously had diplomatic representation. Such an arrangement is provided for in the Vienna Convention on Diplomatic Relations " with the prior consent of a receiving state " (see Article 46). In recent years, New Zealand has represented Western Samoa in other countries and Britain has acted for other Commonwealth countries unrepresented in third countries. Commonwealth countries which are more widely represented could assist by indicating their willingness to act similarly for member countries which seek assistance in this regard or by agreeing not to withhold their consent to such an arrangement. Another approach would be for larger Commonwealth countries to provide, where feasible, and on an *ad hoc* basis, a desk within certain of their missions for an officer from an island developing or other specially disadvantaged country which specifically sought such assistance. In some circumstances trainee attachments could also be provided in missions or capitals for the junior diplomats of such countries (see paragraph 75).

64. It may occur that two or more states will wish on occasion to establish a joint mission to a third country or at least to share a Head of Mission. This, too, is provided for in the Vienna Convention on Diplomatic Relations (see Article 6; Barbados and Guyana in fact had a common High Commissioner in London in the late 1960s and certain states of the Eastern Caribbean are considering the establishment of a joint Foreign Service which would achieve the same purpose). Commonwealth countries could, again, agree not to object to two or more island developing or other specially disadvantaged countries acting in this way if they so wished.

65. Given the large and expanding number of international organisations in which the interests of all countries are often at stake, countries find themselves at a very considerable disadvantage if they are unable to be present or represented at meetings of direct importance to them. There exists considerable scope for Commonwealth assistance in the provision of information which will assist governments in their consideration of which organisations to join and information on the results or implications of international meetings of importance to individual or groups of island developing and other specially disadvantaged countries.

(a) Membership

66. As it crosses the threshold of independence, each state is faced with difficult choices in relation to the intricate network of international organisations. Each state will wish to assess whether the benefits of membership of particular organisations outweigh the obligations, particularly the financial contributions that may be required. It is currently British practice to provide information about membership of the UN, its Specialised Agencies, and other international organisations prior to independence, to enable them to consider in advance of independence whether they wish to apply for membership. The Secretariat, too, is well placed to assist in this regard. Over the years, the various Divisions of the Secretariat have become familiar with the activities of a large number of international organisations. The Secretariat could make available much useful factual information which would assist those governments which seek it in their assessment of the relative advantages and disadvantages of membership or associate membership of various international organisations, either before or after independence.

(b) Representation

67. Apart from the cost of membership of international organisations, all states have to face the question of their representation in such bodies. The majority of Commonwealth UN members maintain a resident mission in New York; but a number of smaller countries (including The Gambia, Seychelles and Solomon Islands) do not do so. The cost of representation during General Assemby Sessions can be burdensome.* One way in which this cost might be reduced would be for a group of island developing or other specially disadvantaged countries to consider the possibility of sharing premises and employing common secretarial and other facilities.

68. On the question of representational assistance there could be undoubted advantages in one person being able to represent a number of countries at a particular international conference—it would obviously be much less expensive. This, however, is currently contrary to the accepted practice of the UN, its subsidiary organs and the Specialised Agencies, which is that *one* person cannot represent a *number* of member countries (although it is accepted that one person can represent a member and an observer or a member and an inter-governmental organisation).†

69. It is, however, possible for one government to be represented by another provided that the actual representation of the two countries is exercised by two different individuals. It would therefore, in theory at least, be possible for a Commonwealth country which otherwise would not be represented to request another Commonwealth country which is represented not only to represent it, but to nominate as the former's representative a member of the represented country's delegation.

* The UN will pay the travel costs to New York, but not subsistence, for five delegates from each member country to regular sessions of the General Assembly and for one delegate to special sessions.

† See *UN Yearbook 1967 (pp. 317–320).*

70. The practice on double representation would be changed should the 1975 Vienna Convention on the Representation of States in their Relations with International Organisations of a Universal Character enter into force. In Article 8 of this Convention it is explicitly provided that "Two or more states may accredit the same person as Head of Mission to the same international organisation". So far, this Convention has been ratified by 15 states (35 ratifications are required), only one of which is a member of the Commonwealth.* A number of Commonwealth governments have difficulty accepting other articles of the Convention as it presently stands. It is to be hoped, however, that such difficulties will in due course be overcome thus enabling the beneficial facility, as provided for in Article 8, to become available to those Commonwealth governments which would wish to take advantage of it.

(c) Reporting

71. It is in the international economic field that the need for assistance is particularly pressing. Governments who are unable to be directly represented require regular information on important decisions or conclusions of meetings taking place internationally in regard to economic issues. Discussions at such meetings are of several kinds: some are on broad economic issues *e.g.* debt, access to capital, ODA, etc. In cases such as these, unrepresented countries, rather than be supplied with detailed reports on discussions as they progress, may prefer instead to be informed, at appropriate intervals, of decisions, results or conclusions of particular significance to them. For some other meetings, such as UNCTAD commodity meetings, interest, although it will inevitably vary from country to country, may be more particular among the island developing and other specially disadvantaged countries. It would seem necessary, for example, to provide more than periodic reports on progress in international negotiations relating to the Integrated Programme for Commodities. Where meetings on individual commodities are concerned, however, an arrangement which would enable individual or groups of interested countries to be regularly informed would seem highly desirable.

72. The Commonwealth collectively can do much to assist this process by the provision of information and advice at the bilateral level and by arranging and/or participating in such activities as workshops and seminars at the multilateral or, where appropriate, regional level.

73. Experience gained thus far by the Secretariat's Trade Advisory Project†, established in Geneva to provide technical assistance to Commonwealth developing countries during the Multilateral Trade Negotiations and other meetings of particular importance, demonstrates that an enhanced Secretariat effort devoted to informing the governments of island developing and other specially disadvantaged countries as to developments in the context of the wide variety of international economic negotiations would help to fill a vital gap. The Secretariat could assist in this regard by providing information, and any other *ad hoc* assistance deemed appropriate by the recipient government, to those countries which are unable to maintain an adequate or permanent mission to the international organisation concerned.

Training

74. A problem faced by the governments of almost all developing countries when approaching independence is the lack of experienced or trained personnel in the field of international affairs, since such matters have usually been the responsibility of the metropolitan power. Britain has for many years offered financial aid and facilities for training the diplomatic service personnel of its dependencies as they attain independence, and continues to do so. A number of other Commonwealth countries have also offered facilities for trainees both in their own countries and in their missions abroad. The Secretariat has likewise contributed to such training schemes and will continue to do so on an *ad hoc* basis.

75. Earlier this year the Secretariat organised a training course for the junior diplomatic staff of the Associated States of the Caribbean region, drawing on the experience of other Caribbean member countries, the University of the West Indies and other international organisations. It is anticipated that additional courses will be arranged in future, perhaps in other regions of the Commonwealth and in collaboration with relevant regional entities, including universities. In designing these training courses the Secretariat is conscious that there will be a need to incorporate on-the-job experience as an essential element. Developed Commonwealth countries can provide valuable assistance by making available appropriate short-term facilities in selected missions abroad, in Foreign Offices in capitals and in academic institutions (as, for instance, is available in the UK). Here again, the importance of regional co-operation in implementing training schemes of this nature cannot be over-emphasised.

* As at 1 February 1979, Bulgaria, Byelorussian S.S.R., Chile, Cyprus, Czechoslovakia, Ecuador, German Democratic Republic, Hungary, Mongolia, Panama, Rwanda, Tunisia, Ukrainian S.S.R., U.S.S.R. and Yugoslavia had ratified the Convention.

† A copy of a recent bulletin on GATT Multilateral Trade Negotiations prepared by the Secretariat's Trade Adviser in Geneva is attached as Annex 5 (not printed).

V. SUMMARY OF RECOMMENDATIONS

The following summary of recommendations in succeeding paragraphs is divided into two parts: A—recommended action by Commonwealth countries and B—recommended action by the Secretariat.

A. Recommendations for action by Commonwealth countries

1. In responding to requests from island developing and other specially disadvantaged countries for assistance in overcoming developmental problems it is recommended that other Commonwealth countries should:

(i) encourage international financial institutions to consider the establishment of intermediate categories in their lending scales (*paragraph 29*);

(ii) while acknowledging the priority claim of larger, more populous developing countries with low *per capita* incomes, recognise the need to sustain and where necessary increase the flow of concessional assistance to such countries, even where the recipients enjoy a relatively high *per capita* income (*paragraph 30*);

(iii) encourage, where necessary, international financial institutions, particularly the regional development banks, to be fully responsive to the smaller-scale loan requirements of such countries (*paragraph 31*);

(iv) assist such countries, whenever possible, to gain access to private capital markets (*paragraph 32*);

(v) devote special attention within their aid programmes to projects designed to raise the level of food production for local consumption in such countries, particularly those which rely heavily on export production (*paragraph 36*);

(vi) collectively encourage regional training initiatives by hosting and/or contributing to regional arrangements for the training of administrative staff from such countries; Commonwealth countries should also increase their support for personnel training programmes in specially disadvantaged countries and increase the range of opportunities in their own countries for the trainees from such countries (*paragraph 41*);

(vii) consider the introduction of transport subsidies, wherever feasible, and support regional initiatives designed to overcome the transportation problems of particularly isolated countries (*paragraph 47*);

(viii) assist such countries to secure access to larger markets for their products (*paragraph 51*);

(ix) ensure that adequate attention within their aid programmes is devoted to projects which promote regional co-operation and which take particular account of the needs of island developing and other specially disadvantaged countries (*paragraph 58*).

2. In responding to requests from island developing and other specially disadvantaged countries for assistance in the area of bilateral representation it is recommended that other Commonwealth countries:

(i) agree to support initatives by such countries to accredit their representatives to two or more countries (*paragraph 62*);

(ii) recognise the necessity of ambassadors-at-large acting for such countries with or without formal accreditation and seek to facilitate such arrangements, if necessary on an *ad hoc* basis (*paragraph 62*);

(iii) agree to act for such countries in third countries when so requested and support such arrangements when they involve other Commonwealth countries (*paragraph 63*);

(iv) consider providing, on an *ad hoc* basis, a desk for the representatives of such countries in certain of their missions abroad (*paragraph 63*);

(v) agree, where appropriate, to the establishment of joint missions by two or more such countries (*paragraph 64*).

3. In responding to requests from island developing and other specially disadvantaged countries for assistance in their relations with international organisations it is recommended that other Commonwealth countries should:

(i) agree to provide assistance to such countries with representation at meetings of international organisations or other international conferences (*paragraph 69*);

(ii) recognising the potential benefits to such countries of Article 8 of the 1975 Vienna Convention on the Representation of States in their Relations with International Organisations of a Universal Character with regard to the question of dual representation in international organisations, endeavour to overcome other difficulties which constrain ratification of the Convention in its present form (*paragraph 70*);

(iii) establish or expand training facilities for diplomats of such countries in their capitals or at their missions abroad and through academic institutions (*paragraph 74*);

(iv) provide on-the-job training experience for the junior diplomats of such countries as an essential element of the proposed Secretariat training course (see Recommendation **B** 2 (iv) below (*paragraph 75*).

4. Commonwealth countries should deepen their support for regional integration movements or co-operation programmes within the Commonwealth, recognising that these are of fundamental importance to the development interests of most island developing and other specially disadvantaged countries (*paragraph 58*).

B. Recommendations for action by the Secretariat

1. In responding to requests from island developing and other specially disadvantaged countries for assistance in overcoming developmental problems the Secretariat should:

(i) devote increased attention within its technical assistance programmes to feasibility studies and assistance to the governments of such countries with the identification and execution of suitable projects and the preparation of requests to external financing agencies (*paragraph 28*);

(ii) continue to assist such countries in exploring their particular needs with regard to the supply of capital from international financial institutions and access to private capital markets (*paragraph 33*);

(iii) develop or strengthen assistance in the training of administrative staff of such countries through:

(*a*) the provision of assistance for national and regional public service training schemes, including academic courses;

(*b*) the arrangement of courses and seminars for training in specific areas of need;

(*c*) support for the establishment of technical assistance groups for particular regions, perhaps through existing regional institutions and assistance in their staffing;

(*d*) the provision of specific technical assistance to improve administration;

(*e*) arrangements for administrative staff to undertake secondments in other governments in order to widen their range of skills (*paragraph 40*);

(iv) assist in exploring and meeting the particular needs of such countries in exploiting their fisheries resources, wherever possible through the reinforcement of existing and planned regional fisheries programmes (*paragraph 56*).

2. In responding to requests from island developing and other specially disadvantaged countries for assistance in their relations with international organisations it is recommended that the Secretariat should:

(i) provide information and advice of a non-policy nature to assist countries contemplating membership of international organisations (*paragraphs 66*);

(ii) provide information on decisions, results and conclusions of international meetings of significance to countries which are unrepresented (*paragraph 73*);

(iii) provide, within its capacity, any other practical assistance sought by countries who are unable to maintain an adequate or permanent mission to an international organisation (*paragraph 73*);

(iv) offer training assistance to the junior diplomatic staff of such countries, including those countries approaching independence in collaboration with other member countries and international agencies wherever appropriate (*paragraph 75*).

3. In responding to requests for assistance the Secretariat should seek to co-ordinate its activities to the greatest extent possible with the existing programmes and activities of member governments and other international organisations, particularly those operating at the regional level (*paragraph 57*).

Commonwealth Secretariat
Marlborough House
London SW1
June 1979

BASIC STATISTICS OF COMMONWEALTH ISLAND DEVELOPING COUNTRIES WITH POPULATIONS OF LESS THAN ONE MILLION AND OTHER SPECIALLY DISADVANTAGED COUNTRIES WITH POPULATIONS OF SIMILAR SIZE

	Population 1976 (to nearest 1,000)	*Area (square miles)*	*GNP 1976 (US$ million)*	*GNP per capita(1) 1976 (US$)*
*Mauritius	894,000	720	610	680
*Cyprus	640,000	3,572	970	1,520
*Fiji	580,000	7,072	660	1,150
*Malta	332,000	121	560	1,680
*Barbados	247,000	166	400	1,620
*Bahamas	211,000	5,380	700	3,310
*Solomon Islands	197,000	11,500	50	250
*Western Samoa	153,000	1,090	50	350
Brunei	160,000	2,226	1,060	6,620
*Grenada	110,000	120	50	410
*St. Lucia	112,000	238	60	540
*Tonga	101,000	270	30	350
St. Vincent	106,000	150	30	330
New Hebrides	99,000	5,700	50	480
Antigua	71,000	170	50	700
*Dominica	77,000	290	30	370
*Seychelles	60,000	171	40	650
Kiribati(2)	55,000	253	40	720
Bermuda	53,000	20	440	8,290
St. Kitts–Nevis–Anguilla(3)	49,000	138	30	640
Gibraltar	30,000	2	80	2,610
Cook Islands	19,000	93		
Cayman Islands	13,000	100		
Montserrat	12,000	39		
British Virgin Islands	10,000	59		
*Nauru	7,000	8		22,500
*Tuvalu	8,000	10		
Turks & Caicos Islands	6,000	160		
St. Helena, Ascension, Tristan da Cunha	6,000	119		
Niue	4,000	100		
Falkland Islands	2,000	4,700		

(*There are a number of other island dependencies with even smaller populations.*)

OTHER SPECIALLY DISADVANTAGED COUNTRIES

*Lesotho	1,244,000	11,700	270	210
*Botswana	679,000	220,000	270	390
*Swaziland	510,000	6,705	280	540
*The Gambia	531,000	4,000	100	180
Belize	129,000	8,886	100	790

* Independent Members.

(1) Source: *World Bank Atlas 1978* except estimate for Nauru's GNP *per capita* provided by the *Financial Times* 1976.

(2) The Gilbert Islands: to be renamed on independence.

(3) Statistics are for St. Kitts–Nevis only.

THE SPECIAL PROBLEMS OF SMALL STATES
THE DEVELOPING ISLAND COUNTRIES OF THE SOUTH PACIFIC

Extracts from a Memorandum by the South Pacific Bureau for Economic Co-operation (SPEC)

Characteristics

Compared with countries outside the region, all SPEC island members have some characteristics in common—small populations, many in the subsistence sector; limited natural resources; vast distances from each other and major markets with consequent high external transport costs; export income dependent on a narrow range of tropical agricultural products (in some cases on a single product); serious balance of payment problems; high unemployment or under employment; proneness to natural disasters; and a heavy dependence on aid. Nauru differs in that it has a high export income and a high *per capita* income but in other respects it is similar.

The resources of developing island countries

A few of SPEC's member countries, especially the larger ones, have human and natural resources which will allow them to achieve an acceptable level of economic development within a reasonable period of time. For a number of others, however, the prospects are different. Given current economic prospects and assuming traditional development philosophy and aid policies, these countries are likely to be faced with worsening balance of payments deficits and an increasing reliance on aid to finance government expenditures.

Strategy for action

The so-called problems of island developing countries have been well and truly documented, both on a country by country basis and regionally.

In this paper an attempt is made to highlight a few major areas where the unique characteristics of developing island countries invite a departure from conventional development thinking. This list is not intended to be exhaustive or to meet the requirements of all countries in the region. Each country will set its own priorities in bilateral economic and aid talks. The points given prominence, however, have caused specific difficulties in the past and unless solutions are found they can be expected to give trouble in future.

(a) Trade relations

It would be misleading to dramatise the potential for generating export-oriented economic activity in island countries. The size of the balance of payments gap is indicative of the problem. Nevertheless there is some unused capacity. For some island countries items entering trade at present are largely unprocessed agricultural products such as copra, coffee, cocoa, bananas, oranges, pineapples, limes and taro. Food processing is in its early stages. Emphasis has been on agricultural development. The inhibiting factors for encouraging more diverse exports have been studied and discussed many times.

If markets were opened and transport problems were solved a larger trade in agricultural commodities might be developed for some countries. The social cost has to be taken into account where fertile land is scarce and land use is tied to local custom. It seems nevertheless that island countries with under-utilised

land would welcome development of agro-industries and would be prepared to bear the domestic consequences provided the market was sufficiently secure to justify their making the necessary changes and investment. However, almost all island countries have had experience of trying to develop agro-industries based on anticipated markets in New Zealand and elsewhere. Most such efforts have not lived up to expectations. Undoubtedly there are many faults on the production side, including lack of experience, but it is also clear that transport problems, quarantine and phytosanitary regulations and access restrictions have played their part.

Industrial and manufacturing possibilities have been studied and other studies are in the pipeline. If markets can be found and developed, a higher level of manufacturing activity might make a useful contribution through import substitution and from export receipts. Equally, constraints will become quickly apparent. The limited domestic market in island countries and high infrastructure costs make it extremely unlikely that the experience of Singapore, Taiwan or Korea can be emulated in the Pacific. Manufacturers and unions in Australia and New Zealand have to be reassured that the scale of Pacific operations will not place serious strains on their domestic interests. In addition, any significant industrial development will carry heavy social costs in Pacific island countries.

Opportunities exist for industrial development with appropriate technology on a scale suitable to the countries of the region. Some such industries may not be competitive with comparable industries in other developing countries or in high technology countries. They will be extremely vulnerable to competition. Nevertheless because of the employment they would create and the economic activity they would generate, they could make an important contribution to economic development in some countries.

Matters which might be taken into account in future consideration of trade relations include:

(i) The long experience of the developed countries in negotiating and handling bilateral trade agreements and trade talks in multilateral bodies such as the GATT, UNCTAD and the EEC. In the process these countries have established institutional structures capable of dealing with trade relations on a highly technical and professional level. There is no equivalent capability in most island governments.

(ii) The experience of the developed countries has tended to be in situations where a trade-off is negotiated. A similar approach would not be appropriate in considering trade relations with developing island countries. Island countries have very few bargaining counters in strict trade terms and because of their development needs new arrangements would need to be non-reciprocal.

(iii) The lack of trade relations experience in government is paralleled in the private sector. If the establishment of a new industry called for detailed negotiations on access in an overseas capital most entrepreneurs would be too daunted even to try. Moreover the scale of many potential industries, while appropriate to an island country and able to make an important contribution to the economy, would not be large enough to support the visits to capitals that could be required to engage the attention of busy officials on matters which in correspondence may seem comparatively trivial.

In summary, if the developed countries, particularly those in the region, were able to consider new trade arrangements with their neighbours, such arrangements should ideally not require a heavy investment of time and effort by island governments; should grant preferential access and protection on a non-reciprocal basis; should create a climate of confidence in the island countries and not leave the burden on them to negotiate special arrangements for specific products, and finally, should be simple to operate and not require a heavy administrative support system.

(b) More effective aid

At the present time aid donors tend to favour projects aimed at rural or agricultural development or which assist the poorest of the poor. Fisheries and the resources of the sea also seem popular at present. While these may be important in individual country priorities it means that there is less interest by donors in infrastructural projects especially those which require a heavy capital investment. In a country in which aid inputs make a marginal contribution to total development expenditure this approach for favouring assistance in certain sectors may be tolerable. In the South Pacific where some countries are dependent on aid to finance virtually the whole of their development budgets and for some part of their administrative budgets as well, this attitude makes rational development extremely difficult.

The solution to these problems lies particularly with aid donors. Modifications in policy which they might consider specifically for developing island countries include:

(i) moving away from project aid and allowing for island countries undesignated grant aid, programme aid or undesignated sectoral assistance;

(ii) investing aid missions with authority to commit the donor government. If matters have to be referred back to capitals for approval this should be treated with the utmost urgency. Such decisions are usually crucial to coherent development planning in the island country;

(iii) delegating maximum authority to local representatives and administering aid on the spot as much as possible rather than in head office;

(iv) accepting that aid proposals have been carefully thought out and screened by responsible people in island governments who are intimately aware of local conditions. Island governments know when they need help and are not reticent in asking for it. Aid donors should send their own experts back to check over proposals and suggest amendments only when asked to do so;

(v) recognising that their requirements for economic justification of projects may be inappropriate and create a heavy administrative burden on the island government.

(c) Manpower assistance

There are many positions in island governments, particularly those requiring technical or professional experience, where there is no one qualified to move in or even understudy for the position. In this situation the training component is not present, but the government still needs someone to do the job. The international market for experts is such that it is unrealistic to expect that many well qualified people can be found to accept local salaries. Equally the cost of paying internationally competitive salaries is prohibitive. The only practical solution is manpower assistance from aid donors.

Island governments fully understand the implications of placing expatriate personnel in senior in-line positions. It is something they have come to terms with and most have developed their own ways of ensuring that these people are under their control for all practical purposes. International mobility of technocrats is a fact of life in the corporate world and international organisations and it is not unknown in the governments of developed countries.

Some donor governments are now entering into manpower agreements with island governments. Frequently developing island countries ask for assistance from friendly governments or international organisations to recommend well qualified people for specialist assignments. In these situations the island governments need to have complete authority in the selection, appointment and control of expatriate staff.

land would welcome development of agro-industries and would be prepared to bear the domestic consequences provided the market was sufficiently secure to justify their making the necessary changes and investment. However, almost all island countries have had experience of trying to develop agro-industries based on anticipated markets in New Zealand and elsewhere. Most such efforts have not lived up to expectations. Undoubtedly there are many faults on the production side, including lack of experience, but it is also clear that transport problems, quarantine and phytosanitary regulations and access restrictions have played their part.

Industrial and manufacturing possibilities have been studied and other studies are in the pipeline. If markets can be found and developed, a higher level of manufacturing activity might make a useful contribution through import substitution and from export receipts. Equally, constraints will become quickly apparent. The limited domestic market in island countries and high infrastructure costs make it extremely unlikely that the experience of Singapore, Taiwan or Korea can be emulated in the Pacific. Manufacturers and unions in Australia and New Zealand have to be reassured that the scale of Pacific operations will not place serious strains on their domestic interests. In addition, any significant industrial development will carry heavy social costs in Pacific island countries.

Opportunities exist for industrial development with appropriate technology on a scale suitable to the countries of the region. Some such industries may not be competitive with comparable industries in other developing countries or in high technology countries. They will be extremely vulnerable to competition. Nevertheless because of the employment they would create and the economic activity they would generate, they could make an important contribution to economic development in some countries.

Matters which might be taken into account in future consideration of trade relations include:

(i) The long experience of the developed countries in negotiating and handling bilateral trade agreements and trade talks in multilateral bodies such as the GATT, UNCTAD and the EEC. In the process these countries have established institutional structures capable of dealing with trade relations on a highly technical and professional level. There is no equivalent capability in most island governments.

(ii) The experience of the developed countries has tended to be in situations where a trade-off is negotiated. A similar approach would not be appropriate in considering trade relations with developing island countries. Island countries have very few bargaining counters in strict trade terms and because of their development needs new arrangements would need to be non-reciprocal.

(iii) The lack of trade relations experience in government is paralleled in the private sector. If the establishment of a new industry called for detailed negotiations on access in an overseas capital most entrepreneurs would be too daunted even to try. Moreover the scale of many potential industries, while appropriate to an island country and able to make an important contribution to the economy, would not be large enough to support the visits to capitals that could be required to engage the attention of busy officials on matters which in correspondence may seem comparatively trivial.

In summary, if the developed countries, particularly those in the region, were able to consider new trade arrangements with their neighbours, such arrangements should ideally not require a heavy investment of time and effort by island governments; should grant preferential access and protection on a non-reciprocal basis; should create a climate of confidence in the island countries and not leave the burden on them to negotiate special arrangements for specific products, and finally, should be simple to operate and not require a heavy administrative support system.

(b) More effective aid

At the present time aid donors tend to favour projects aimed at rural or agricultural development or which assist the poorest of the poor. Fisheries and the resources of the sea also seem popular at present. While these may be important in individual country priorities it means that there is less interest by donors in infrastructural projects especially those which require a heavy capital investment. In a country in which aid inputs make a marginal contribution to total development expenditure this approach for favouring assistance in certain sectors may be tolerable. In the South Pacific where some countries are dependent on aid to finance virtually the whole of their development budgets and for some part of their administrative budgets as well, this attitude makes rational development extremely difficult.

The solution to these problems lies particularly with aid donors. Modifications in policy which they might consider specifically for developing island countries include:

(i) moving away from project aid and allowing for island countries undesignated grant aid, programme aid or undesignated sectoral assistance;

(ii) investing aid missions with authority to commit the donor government. If matters have to be referred back to capitals for approval this should be treated with the utmost urgency. Such decisions are usually crucial to coherent development planning in the island country;

(iii) delegating maximum authority to local representatives and administering aid on the spot as much as possible rather than in head office;

(iv) accepting that aid proposals have been carefully thought out and screened by responsible people in island governments who are intimately aware of local conditions. Island governments know when they need help and are not reticent in asking for it. Aid donors should send their own experts back to check over proposals and suggest amendments only when asked to do so;

(v) recognising that their requirements for economic justification of projects may be inappropriate and create a heavy administrative burden on the island government.

(c) Manpower assistance

There are many positions in island governments, particularly those requiring technical or professional experience, where there is no one qualified to move in or even understudy for the position. In this situation the training component is not present, but the government still needs someone to do the job. The international market for experts is such that it is unrealistic to expect that many well qualified people can be found to accept local salaries. Equally the cost of paying internationally competitive salaries is prohibitive. The only practical solution is manpower assistance from aid donors.

Island governments fully understand the implications of placing expatriate personnel in senior in-line positions. It is something they have come to terms with and most have developed their own ways of ensuring that these people are under their control for all practical purposes. International mobility of technocrats is a fact of life in the corporate world and international organisations and it is not unknown in the governments of developed countries.

Some donor governments are now entering into manpower agreements with island governments. Frequently developing island countries ask for assistance from friendly governments or international organisations to recommend well qualified people for specialist assignments. In these situations the island governments need to have complete authority in the selection, appointment and control of expatriate staff.

(d) Transport and communications

The large capital investments involved and high running costs of modern shipping and airline services pose very difficult problems for developing island countries. Effective communications are a catalyst in development and in the Pacific they are especially important because of the nature of the region.

If strictly commercial considerations regulated transport services in the Pacific the services provided would not be adequate to meet the expectations of governments or peoples in the region. Some transport services are already being subsidised. While every effort should be made to rationalise services in shipping and in aviation (see following section) it must nevertheless be accepted that in the geographically dispersed South Pacific region some uneconomic services will need to be supported if the overall transport requirements of the region are to be met.

Transport subsidies are not the kind of charge that aid donors normally like to meet from their aid programme. However, island countries have a unique problem because of the great distances and comparatively small loadings involved. For developing island countries a special solution is required. They do not themselves have the resources to subsidise services on the scale required. The only solution is to ask aid donors to take on the responsibility as special assistance to developing island countries until such time as the total level of trade in goods and services by regional carriers is sufficient to support these services.

Regional co-operation

There is sufficient evidence available to confirm that regional co-operation can be a powerful force for development. While many problems of developing island countries might be solved more easily with outside assistance, some are capable of solution by the island countries themselves.

The case for a regional approach to certain problems is as valid now as it ever was. The region has learned a great deal about the techniques of regional co-operation and despite the lack of progress of one or two projects there now exists a regular pattern of regional consultation on a very wide range of activities.

In the field of shipping for example it took a long time to get the Pacific Forum Line established. Five years of studies with regular meetings of ministers and officials were necessary before eight governments came to the point of committing themselves to investing in the Line.

The experience of trying to set up a regional airline has shown more than in any other area the difficulty of reconciling the different national interests in a regional undertaking. Nevertheless, the principle remains valid that certain areas of economic activity including civil aviation are most effectively tackled on a regional basis. What has emerged from initial efforts at regional co-operation in this field is a process of consultation at ministerial and official level through the Regional Civil Aviation Council and the Advisory Board. It is already evident that by focusing first on less dramatic objectives than a regional airline it is possible to improve the quality of, and share the responsibility for, good air services in the region.

A regional approach to telecommunications in the South Pacific has resulted in substantial improvements in telecommunications systems and has led to the development of a regional network of world standard. By approaching this development regionally it is possible to reach sources of finance which would not otherwise be available.

Energy policy is another area in which regional consultation could have an important bearing on the kind of action taken by governments. On trade matters it is undoubtedly true that individual countries could gain minor concessions on individual products of interest to them but their bargaining power would be substantially greater if they co-ordinated their objectives and tactics. The EEC has allocated to the Pacific member states of the Lomé Convention 36·6 million European units of account. The substantial benefits from this association with the European Community resulted largely from the concerted approach by the Pacific countries together with the African and Caribbean countries of the ACP group.

Conclusion

There is no typical profile for a developing island country. Nevertheless most islands share certain unique characteristics which make it difficult for them to take full advantage of international efforts to improve the economic prospects of developing countries. For some island developing countries current trade and aid relationships may be having a negative effect on their development prospects.

Developing island countries are not seeking to promote their cause as being more needy than that of the other developing countries. A tolerable minimum standard of existence in terms of nutrition, shelter, education and health services is already attained in nearly all South Pacific island countries. The development plans and policies of most governments would indicate that their next priority is the creation of employment opportunities, the expansion of productive capacity and the provision of communal utilities in villages and rural areas consistent with living in the 20th century.

This will not necessarily call for additional aid inputs although some countries have a capacity to absorb more aid. The objective is more likely to be achieved by adjustments in trade policies of more industrialised countries and by a more flexible application of development assistance techniques.

EXTRACT FROM THE FINAL COMMUNIQUÉ OF THE COMMONWEALTH HEADS OF GOVERNMENT REGIONAL MEETING, SYDNEY, 13–16 FEBRUARY, 1978*

Special problems of small states

41. Heads of Government recognised that special measures and relationships were necessary to assist small states to realise their development potential. In this connection they welcomed the establishment of the Pacific Forum Line as an important vehicle for promoting the export trade and development of the Pacific island states. They were also mindful of the important developmental role played by regional island air carriers throughout the Pacific and the need to sustain these services economically. The developed and the industrially advanced developing countries agreed to examine ways of meeting the needs of the islands for growing flows of concessionary finance to improve and operate their infrastructure and develop technical and professional skills, for technical assistance to enable them to derive maximum advantage from their exclusive economic zones, and for favourable conditions of access to the markets of the larger countries for their agricultural and manufactured products.

42. Heads of Government also recognised that the range and complexity of international issues under negotiation were placing very heavy burdens on the financial and manpower resources of the small states in the Commonwealth. They acknowledged a collective responsibility to render special assistance to these countries to enable them to pursue their vital national interests. Noting that the need for such assistance will grow with the achievement of independence by a number of very small Commonwealth countries in the years immediately ahead, Heads of Government felt that systematic programmes of assistance for these countries should be established as a matter of priority. Such programmes should be particularly concerned with the problems of providing the assistance required for international representation and for support in financial, trade and other negotiations related to the promotion of their development, and with the wider question of how the Commonwealth collectively might better serve the needs of its smallest member states. Recognising that many such states were in other regions of the Commonwealth, they invited the Secretary-General to examine the most appropriate ways in which such assistance might be rendered on a Commonwealth-wide basis and urged him to seek general Commonwealth support for such programmes. They noted the opportunity which the meeting of Commonwealth Senior Officials later this year would provide in this regard.

* The Meeting was attended by Australia, Bangladesh, Fiji, India, Malaysia, Nauru, New Zealand, Papua New Guinea, Singapore, Sri Lanka, Tonga and Western Samoa.

REPORT OF THE MEETING ON PROBLEMS OF EXTERNAL FINANCE FOR SMALL ISLANDS, APIA, WESTERN SAMOA, 10–12 APRIL, 1979

Introductory Statements

The Hon. Vaovasamanaia Filipo, Minister of Finance of Western Samoa, welcomed the delegates to the meeting and hoped that practical results would emerge from their deliberations. He stressed the need for flexibility in lending criteria and pointed out that *per capita* lending criteria used by some donors and international agencies created serious difficulties for small islands. He also emphasised the need for small islands to adopt sound financial practices and to enhance their creditworthiness which would in turn assist them in mobilising foreign capital.

2. The Finance Minister commended the Secretariat on its Memorandum *The Commonwealth: its Special Responsibilities to Small States* and suggested that the Secretariat would be performing a valuable service if it circulated to governments summaries of the discussions and conclusions of international meetings on trade and financial matters.

3. Mr. R. L. Wood, Financial Secretary of the Bahamas, on behalf of all the delegates, noted with appreciation the warm welcome accorded by the Government and people of Western Samoa. He said this meeting was a well timed initiative which would assist in finding practical solutions to some of the common problems faced by the countries represented at the meeting. Mr. C. J. Small, Deputy Secretary-General, associated himself with the thanks expressed to the Government and people of Western Samoa. He recalled the previous Commonwealth discussions on the problems of small islands and said that the results of the present meeting would be considered almost immediately along with a variety of other measures aimed at assisting small states, at a meeting of officials in London. He hoped that a set of concrete proposals for Commonwealth action could be put forward for consideration at the next meeting of Commonwealth Heads of Government in August in Lusaka.

4. Mr. A. L. Hutchison, Financial Secretary, Government of Western Samoa, was unanimously elected Chairman of the meeting.

Identification of problems

5. The meeting had a useful exchange of views on islands' experience and views on the general question of finance for development, including domestic resources, external aid, foreign private investment and also on related problems of foreign trade. A number of problems which confronted small islands in mobilising and utilising external finance were identified with a view to suggesting possibilities for seeking practical solutions to these problems. One of the most important problems was considered to be the shortage of skilled manpower required for project identification, preparation and implementation. Others were related to the rigid criteria and complex procedures of aid donors and agencies which resulted in delays in development in small islands which only had limited administrative structures. Some problems of mobilising external finance were also related to the difficulties in generating sufficient domestic savings and investment. These problems were accentuated for the very small and isolated island countries.

Self-reliance

6. Participants stressed the importance of approaching the question of external finance from a basis of self-reliance. Each country had some resources and development should be built upon them. One resource shared by Commonwealth islands was stable government.

7. The meeting recognised the importance of mobilising local savings and using them to best effect for national development as a prerequisite to the attraction and effective use of external finance. It was stressed that sound domestic practices enhanced creditworthiness.

8. Participants emphasised the continuing importance of institution-building for further development, while stressing the need for economy in administration. They also underlined the need for enhanced efforts to improve the efficiency of internal revenue collection.

9. The meeting agreed that regional co-operation between island developing countries was beneficial in specific matters, though it was essential to ensure that regional institutions took fully into account the particular problems and requirements of small developing islands. Regional co-operation could be particularly helpful in presenting the case to aid donors for appropriate treatment in the allocation and administration of aid. The scope for bilateral co-operation and consultation between developing islands on practical matters was also stressed.

10. The meeting recognised the importance of export-led growth as a strategy for the development of small island economies. It expressed concern over the growing protectionist trade policies practised by the developed countries and urged that representations be made to these countries to liberalise their trade policies to allow freer access to the products of small island developing countries.

External assistance

11. It was generally considered that the use of GDP per head as a criterion for aid allocation used by many donors was inappropriate if applied without modification to small island developing countries. The high cost of administration and, often, costs of living in such countries tended to inflate GDP figures and rendered comparison with larger countries difficult.

12. Some donors and international financial institutions gave undue weight to lending *per capita* as a criterion in allocating grants and loans. This created difficulties for a small country in obtaining assistance even for the most necessary developmental projects.

13. Notwithstanding the shortcomings of the *per capita* income criterion, donors tended to use it to distinguish the very poor countries eligible for concessionary assistance from the more developed ones which could support non-concessional finance. It was recommended that intermediate categories should be established for developing island countries in the lending scale of multilateral financial institutions, particularly the World Bank Group which distinguished only between those which qualified for IDA credits and those which obtained finance at the Bank's top rate.

14. The meeting considered that donors' sectoral priorities often tended to make it difficult for developing island countries to obtain the aid they needed for their own development objectives. The fact that these sectoral priorities tended to be changed from time to time complicated further the recipients' task in formulating acceptable proposals.

15. Participants stressed the need to untie aid. Furthermore, it was proposed that where a bilateral aid project supported an export-oriented activity, the donor country could further assist by undertaking to purchase, or grant access to its markets for, the output of the project.

16. The meeting criticised over-rigid and over-complicated aid procedures which were a burden on the scarce administrative manpower in small island countries. It also criticised the need to repeat procedures for, and to provide information to, different donors. This was time-consuming and, given the existence of inflation, delays resulted in cost over-runs and further time-consuming negotiations. It was pointed out that complex procedures themselves aggravated the problem of absorptive capacity in small countries. Donor co-ordination in obtaining information from recipients and provision of assistance for pilot projects, where traditional project evaluation would not be justified because of size, were suggested as among possible measures to improve the situation.

17. The meeting considered that external assistance for recurrent expenditure as well as for development would be required for some time to come in certain small developing island economies.

18. The meeting endorsed the following recommendations contained in the Memorandum of the South Pacific Bureau for Economic Co-operation, *The Special Problems of Small States : The Developing Island Countries of the South Pacific.**

"The solution to these problems lies particularly with aid donors. Modifications in policy which they might consider specifically for developing island countries include:

(i) moving away from project aid and allowing for island countries undesignated grant aid, programme aid or undesignated sectoral assistance;

(ii) investing aid missions with authority to commit the donor government. If matters have to be referred back to capitals for approval this should be treated with the utmost urgency. Such decisions are usually crucial to coherent development planning in the island country;

(iii) delegating maximum authority to local representatives and administering aid on the spot as much as possible rather than in head office.

(iv) accepting that aid proposals have been carefully thought out and screened by responsible people in island governments who are intimately aware of local conditions. Island governments know when they need help and are not reticent in asking for it. Aid donors should send their own experts back to check over proposals and suggest amendments only when asked to do so;

(v) recognising that their requirements for economic justification of projects may be inappropriate and create a heavy administrative burden on the island government".

19. The desirability of donors making longer forward commitments was stressed, as this would permit more effective financial planning in the developing island countries. Indeed, it was pointed out that where such long-term commitments existed, they could be used as a basis for raising additional funds, thus multiplying their effect.

20. The meeting recognised that aid tended to be of limited duration and thus precarious. The objective of developing island countries must be to use it in working toward self-sustaining growth. At the same time, the prospects of self-sustaining growth in small islands would be considerably enhanced at relatively little cost to donors if the terms of past debts of these islands were suitably adjusted and all future assistance was provided in the form of grants.

Foreign private investment

21. The meeting recognised the role which foreign private investment on appropriate terms could play in generating growth, thus increasing domestic resources available for future development. The relative importance assigned to the private sector in the national development strategy varied from country to country, but the meeting was agreed on the need to attract private foreign

* See Annex 2.

investment. This was best done by making the real resources and opportunities each country had to offer known to investors, and by providing a sound institutional framework for investment. An important role was seen for the proposed Commonwealth Secretariat's Industrial Development Unit in assisting small island governments with these promotional efforts.

Follow-up action

22. The meeting generally endorsed the recommendations for action by Commonwealth countries and by the Commonwealth Secretariat contained in the Secretariat's Memorandum *The Commonwealth: its Special Responsibilities to Small States*, and urged that a concrete Commonwealth programme of action be adopted at the next Commonwealth Heads of Government Meeting to be held in August 1979 in Lusaka.

23. The meeting saw an urgent need for the establishment of the proposed Industrial Development Unit in the CFTC with adequate staff and financial resources to enable it to play a significant role in assisting the developing island countries in their industrial development.

24. It recommended that the Commonwealth Secretariat, in particular the proposed Industrial Development Unit, should give increased assistance for:

(i) project identification, preparation and implementation so as to mitigate the effect of the scarcity of skilled manpower resources in small developing islands;

(ii) devising appropriate means for more effective domestic resource mobilisation in these states;

(iii) the establishment and strengthening, where necessary, of national industrial promotion agencies which mobilise domestic and foreign investment;

(iv) the identification and exploitation of market opportunities for exports, including exotic crops, from small states; and

(v) the establishment of food processing industries in small developing islands.

The meeting urged Commonwealth Governments to provide the Secretariat and the CFTC with adequate resources to undertake these tasks.

25. The meeting recommended that the Secretariat explore possibilities of Commonwealth developed and other countries assisting the industrial promotion efforts of small developing islands to attract foreign private investment.

26. The meeting welcomed the recommendation in the Secretariat's Memorandum that it should provide information on discussions, results and conclusions of international meetings of significance to small states. It was suggested that, commencing as soon as possible, brief summaries of international discussions on trade and financial matters should be prepared by the Secretariat for circulation to governments on a regular basis.

27. The Commonwealth Secretariat and other interested agencies were urged to assist in initiatives to bring about positive consideration of appropriate changes in aid procedures and policies along the lines suggested in the memorandum by SPEC referred to above. The Commonwealth Secretariat should also examine, in consultation with donor countries and agencies, the possibilities of using aid to service commercial loans so that much larger financial resources could be obtained than would be so if projects were financed only by aid funds.

28. It was suggested that a short manual on devices to prevent local assets from passing unnoticed or unnecessarily into foreign hands should be prepared by the Secretariat as a companion volume to the Secretariat's publication on *Foreign Private Investment—Guidelines for Assessing Proposals in Smaller Developing Countries.*

29. The meeting recommended that the Commonwealth Association of Tax Administrators include in its work programmes examination, with particular reference to small developing islands, of possible ways and means of:

(i) minimising the costs involved in gathering taxes; and

(ii) using double taxation agreements for exchange of information in transactions involving multinationals.

30. The meeting requested the Commonwealth Secretary-General to bring its recommendations and conclusions on both Commonwealth and international action to the attention of the next Commonwealth Heads of Government Meeting. The Secretary-General was also requested to make available this report and the documentation prepared for the meeting to the wider international community, including aid donors and international agencies.

Appreciation

31. The participants expressed warm appreciation to the Government and people of Western Samoa for their generous hospitality and efficient arrangements which contributed materially to the success of the meeting.

Commonwealth Secretariat

April 1979

List of Participants

(The names of participants are not being reproduced. Those attending included *delegates* from The Bahamas, Barbados, Fiji, Malta, Mauritius, St. Lucia, St. Vincent, Seychelles, Tonga, Tuvalu and Western Samoa; *observers* from the African Development Bank, the Asian Development Bank, the Bank of Western Samoa, the Commission of the European Communities for the Pacific, the Pacific Commercial Bank, the South Pacific Bureau for Economic Co-operation, the South Pacific Commission, UNCTAD and UNDP; the Deputy Secretary-General (Economic) and other members of the *Commonwealth Secretariat*; and three consultants.)

List of Documents

The Commonwealth: its Special Responsibilities to Small States, Memorandum by the Commonwealth Secretariat, February 1979.

Economic and Financial Situation of the Commonwealth Developing Island States, Background paper by the Commonwealth Secretariat, March 1979.

External Finance for Small Island Countries in the Commonwealth: Some Issues, Paper commissioned from Mr. Edward Dommen, March 1979.

Foreign Private Investment: Guidelines for Assessing Proposals in Smaller Developing Countries, Commonwealth Secretariat, November 1978.

The Problems of External Finance for Small Islands: The SPEC Experience, South Pacific Bureau for Economic Co-operation, April 1979.

Problems of External Finance for Small Islands: The Experience of the Caribbean Development Bank, Paper prepared by Caribbean Development Bank, March 1979.

Problems of External Finance for Small Islands: Financing without Tears, Paper by the Ministry of Finance, Solomon Islands, April 1979.

The Role of Private Banks in the Implementation of Monetary Policy in Small Developing Countries, Paper by J. J. Laing, Barclays Bank International, 1978.

Finance for Small Island Countries, Paper prepared by J. J. Laing, Barclays Bank International, April 1979.

COMMONWEALTH YOUTH PROGRAMME

MEMORANDUM BY THE COMMONWEALTH SECRETARY-GENERAL

The problem

1. The Commonwealth Youth Programme (CYP) faces a major problem in the financing of its activities. The Programme's Committee of Management examined the situation at its meeting in New Delhi in March 1979. It sought my assistance in bringing this matter to the attention of governments. The Committee believes that unless the additional funds required can be secured, the next meeting of the Commonwealth Youth Affairs Council should re-examine the Programme and determine on a new structure and a new level of activity consistent with its limited budget.

Establishment of the CYP

2. In 1969 Heads of Government identified the field of youth as a vitally important area of potential growth and co-operation among Commonwealth countries. They asked the Commonwealth Secretariat to study this question and not only define the major problems but also to suggest practical and effective measures of co-operation. This was followed by regional seminars and by a meeting of officials in 1972 when the areas for action were identified. A plan of action was placed before a meeting of Youth Ministers in Lusaka in 1973 and, on the basis of recommendations from this meeting, the Commonwealth Youth Programme was established by Heads of Government meeting in Ottawa later that year.

The Programme in operation

3. The preparation for the introduction of the Commonwealth Youth Programme was therefore thorough and this accounts for the fact that the original major elements of the Programme have largely withstood the test of implementation and have proved to be relevant to the needs of Commonwealth countries. The Programme has now trained 380 youth workers through the diploma courses at the three regional centres, and a further 27 youth workers are still in training at the special course run in Fiji for South Pacific countries. There are now nearly 400 correspondence course students in the Caribbean and short courses have been held at the national and sub-regional levels in all regions.

4. Through the Commonwealth Youth Programme, the Commonwealth has established a system for exchanging information on youth programmes, and seminars and workshops are regularly held throughout the Commonwealth on such matters as training methods and techniques, policy development, and the organisation of youth projects.

Effectiveness of the CYP

5. The feedback from Commonwealth countries, particularly through the regular meetings of the Commonwealth Youth Affairs Council and the Programme's Committee of Management, is that this is a valuable programme which is practical and relevant to those Commonwealth countries endeavouring to promote effective youth programmes. Equally consistent, however, is the message that the Programme requires additional funds in order to be fully effective and to fulfil the mandate originally conceived for it by Commonwealth Heads of Government.

Finances of the CYP

6. Responsibility for determining the level of funding appropriate for the Commonwealth Youth Programme rests with the Commonwealth Youth Affairs Council, which meets biennially. In 1976, the Council determined that this was £1 million and that this figure should be adjusted year by year to take account of inflation. Adjusted by British inflation rates, the appropriate level is now £1·4 million.

7. The Programme's funds are provided through voluntary pledges made at the Commonwealth Youth Affairs Council meetings. The value of pledges over the period 1976–1980 is as follows:

1976–77:	£574,400
1977–78:	£665,750
1978–79:	£780,200
1979–80:	£764,600

The options

8. It is clear that the present structure which was conceived for a programme funded at a level of £1·4 million is not suitable for a programme which receives barely half that amount. The shrinkage of resources has resulted in a disproportionate share of funds being used to maintain staff and establishments. As fixed costs rise with inflation, there is less each year for programme activities. As a consequence, the staff and facilities at the Centres are not being effectively used.

9. The choice is therefore a clear one: substantially increase Programme funds to make full use of the existing facilities or substantially re-organise the structure of the Programme.

10. A reduction in the level of Commonwealth co-operation in the field of youth would be a retrograde step. It is an unfortunate fact that one of the by-products of the world economic recession is that youth, in both developing and developed countries, are now experiencing greater economic and social stress than ever before. There is now a greater need for effective youth programmes and a greater demand for appropriately trained youth workers and administrators.

Conclusion

11. Heads of Government may therefore wish to re-affirm support for the Commonwealth Youth Programme and strongly recommend that governments should increase their pledges to the Programme for the biennium 1980–82 to ensure that over that period the original annual target of £1 million is met and that in addition some provision is made for inflation since that date. If this target is to be met, governments would need to increase their current pledges by about one third.

Commonwealth Secretariat
Marlborough House
London SW1
June 1979

COMMONWEALTH MINISTERIAL COMMITTEE ON BELIZE

MEMORANDUM BY THE COMMONWEALTH SECRETARY-GENERAL

Heads of Government at their London Meeting in June 1977 established a committee comprising Ministers from Barbados, Canada, Guyana, India, Jamaica, Malaysia, Nigeria and Tanzania to meet with the Secretary-General with a view to rendering all practicable assistance to the parties concerned in finding early and effective arrangements for the independence of Belize in accordance with the Charter and relevant resolutions of the United Nations. The main developments that have taken place in connection with Belize since June 1977, which formed the background to the Committee's meetings, are outlined in the Secretary-General's biennial report to Heads of Government already circulated to member countries. This paper therefore outlines the additional data concerning the most recent proposals put forward by the British Government for a settlement of its longstanding dispute with Guatemala.

Key aspects of the latest British proposals for a settlement with Guatemala

2. During talks with the Guatemalan Foreign Minister in New York in September 1978, the British Foreign Secretary put forward an entirely fresh set of proposals for a settlement, whose main elements were disclosed to the General Assembly's Fourth Committee on 28 November by Britain's Permanent Representative. In brief these envisage the provision of: a major road linking Guatemala with Belize; a treaty establishing maritime boundaries between the two countries and guaranteeing Guatemala access to the high seas through its own territorial waters; free port facilities for Guatemala's sea trade in the Belize City port; and a separate Treaty of Amity and Mutual Security between Belize and Guatemala with provisions on non-aggression and subversion which would include limitations on the stationing of foreign, but not British, armed forces.

3. In his statement to the Fourth Committee the British Permanent Representative explained that while the British Government had been prepared "without commitment" to look into the possibility of meeting Guatemala's demand for cession of Belizean territory to be included in the settlement, this had "proved to be unacceptable, not only to the representatives of the people of Belize, whose wishes we are bound to respect, but also to other states in the region." In this last connection he specifically referred to the concerns expressed by some Latin-American members of the OAS "at the implications of any redrawing of any Latin American boundaries". It is also pertinent that on 7 February, 1978, the Prime Ministers of six Commonwealth Caribbean countries—Bahamas, Barbados, Grenada, Guyana, Jamaica, Trinidad and Tobago—issued a joint statement which, *inter alia*, strongly objected to cession of land as a means of settling the Anglo-Guatemalan dispute.

4. On 13 December a British representative in the General Assembly, noting that the Guatemalan Foreign Minister had declared a readiness to resume negotiations even though he "categorically" rejected Britain's latest proposals, stated that his own Government "looked forward to continuing negotiations at an early date". Further developments are now awaited.

Matters considered by the Commonwealth Ministerial Committee

5. The Committee's deliberations, both at its 1977 and at its 1978 meetings, centred on three main topics.

(i) The question of land cession to Guatemala

6. When the Committee met in 1977 it was clear that despite the General Assembly's resolutions on Belize and Premier Price's statements that his Government would not agree to any cession of land as the price for achieving his country's independence, Guatemala was not prepared to abandon its demand for territory as part of an overall settlement.

7. Dr. Owen described the various considerations underlying Britain's ongoing negotiations with Guatemala. Although his Government continued to adhere to its traditional position that it would not agree to any territorial adjustment which would be unacceptable to the people of Belize, it felt it had to demonstrate a willingness at least to discuss, although not to negotiate, this option and it had accordingly done so during the Ministerial talks with Guatemala earlier in 1977.

8. The members of the Committee, while not discounting the realities of the situation described by Dr. Owen, expressed the conviction that land cession was not an acceptable means of obtaining Belize's independence, stressing that the Anglo-Guatemalan negotiations should be conducted strictly within the guidelines laid down in the General Assembly's resolutions. They reiterated this stand at the 1978 meeting.

(ii) Provision of a multinational defence guarantee for an independent Belize

9. The second major issue which the Committee discussed was the question of a multinational defence guarantee to protect Belize's territorial integrity if Britain decided to bring it to independence without a resolution of the dispute with Guatemala. Dr. Owen indicated at the Committee's first meeting that were Belize to become independent in these circumstances Britain would be prepared to participate in a multilateral peace-keeping force but could not provide a defence guarantee on its own. The Committee agreed that if the question of a defence guarantee were to be pursued, it could only be within the framework of the UN and that in the meanwhile nothing should be done which might prejudice the ongoing negotiations between Britain and Guatemala or the wider diplomatic effort on behalf of Belize.

10. The balance of opinion within the Committee was that while the possibility of seeking an international security arrangement should not be foreclosed for the future, there were too many imponderables and practical difficulties involved in giving it concrete shape at this stage, and that any premature effort in this direction might prove to be counter-productive.

(iii) The role of the US and Latin-American Governments

11. In the light of the British Foreign Secretary's statement at the first meeting and also of the view expressed by Premier Price that the American policy of neutrality in the Anglo-Guatemalan dispute was in effect a bias in favour of Guatemala,* the Committee recognised the crucial role of the US in securing a satisfactory solution. It therefore decided to recommend that their respective Governments should undertake a concerted effort to persuade the US Government not only to make it clear to Guatemala that it could not expect any American support for its claim to Belize, but to actively assist in promoting the early implementation of the Assembly's resolutions. It was agreed that each Government should determine how it could best make such an approach, although the Committee hoped that effective use would be made, as opportunities arose, of high-level bilateral contacts.

* The US has to date consistently abstained in the vote on the General Assembly's Belize resolutions.

12. The Committee also acknowledged the value of making diplomatic efforts in Latin America, recognising moreover that the growth of general support for Belize within the hemisphere would be an important factor in influencing the attitude of the US Government.

13. In 1978, following Ministers' statements describing the initiatives taken by their Governments and the British Foreign Secretary's comment that the Committee had helped to put pressure on Guatemala in a variety of ways, it was agreed that approaches both to the US and in Latin America should be intensified and that complementary pressure for the Belizean cause at the more important international forums should also be maintained in order to promote a climate of opinion which no one could ignore.

14. So far as Latin America is concerned, there is evidence that the Commonwealth's diplomatic initiatives were having some effect. Through the strenuous efforts of the Caribbean members of the Committee Belize was, in June 1978, for the first time discussed by the Assembly of the OAS. The Committee has also been heartened by the changing pattern of the Latin-American vote on the General Assembly's annual resolution on Belize since 1976. Only three Latin-American countries voted in favour in 1976, nine abstained and eight voted against. In 1977, however, five of the countries which had abstained in 1976 changed to an affirmative vote, while four others moved from a negative position to an abstention. In 1978 a total of 10 Latin-American countries supported the resolution; moreover, for the first time there were no negative votes cast, since three of Guatemala's closest neighbours decided not to participate in the vote instead of opposing the resolution as they had done in previous years, while seven others abstained. In view of the fact that the text of the General Assembly's annual resolution has also been considerably strengthened in the past two years this steady growth of Latin American support must be regarded as all the more significant.

Conclusion

15. Heads of Government will, perhaps, agree that the Committee has been a useful mechanism for collective Commonwealth efforts on behalf of Belize. It has conceived its role as lying principally in the diplomatic arena where it has contributed to the advances that have been achieved. The Committee has a continuing role to play in furthering the Commonwealth's commitment within the international community to assist a potential member country to realise its aspirations to self-determination and independence.

Commonwealth Secretariat
Marlborough House
London SW1
May 1979

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ADVISORY COMMITTEE ON RELATIONSHIPS BETWEEN THE OFFICIAL AND UNOFFICIAL COMMONWEALTH

MEMORANDUM BY THE COMMONWEALTH SECRETARY-GENERAL

Heads of Government are invited to consider the Report of the Advisory Committee that was set up following the London Meeting in 1977 in order to "report on concrete steps to promote mutually beneficial ties between the official and unofficial Commonwealth" (paragraph 64, London Communiqué, June 1977).

2. The Advisory Committee was composed of fourteen individuals from both governments and non-governmental organisations in different regions of the Commonwealth, who served in their personal capacities. Under the Chairmanship of Sir Geoffrey Wilson, the Committee met from 9–13 January and again from 10–14 July, 1978. The Advisory Committee's Report, entitled *From Governments to Grassroots* was distributed to governments in November 1978.

3. The Committee made a detailed examination of the nature of the unofficial Commonwealth and of the complex network of relationship that exists between NGOs and the official Commonwealth, comprising governments, regional organisations, the Commonwealth Secretariat and the Commonwealth Foundation. The Committee limited its consideration of NGOs to those (mainly pan-Commonwealth, international, regional or large national NGOs) which could be seen to be contributing towards enhancing the quality of life and deepening international understanding within the Commonwealth. The conclusion of the Committee was that the unofficial Commonwealth is a seriously under-utilised resource within the Commonwealth and that "the combined efforts and resources of NGOs represent massive human financial capital which can be invested to the mutual advantage of both the official and unofficial sectors and, more importantly, to the benefit of the peoples of the Commonwealth".

4. The Committee affirmed that the official Commonwealth has much to gain from a fuller utilisation of the energies and expertise of NGOs and that it should make a determined effort to establish regular exchanges with the unofficial sector in order to achieve a greater measure of co-operation and an overall enhancement of the official/unofficial relationship. In this regard, the Committee commended the established record of the Commonwealth Foundation in developing professional co-operation throughout the Commonwealth in an imaginative and cost-effective manner, and recommended that the Foundation should extend its activities. In order that the Foundation could strengthen its links with a wider range of NGOs, the Committee recognised that the Foundation would require a substantial increase in its annual income.

5. A summary of the suggestions and recommendations of the Advisory Committee is given in the Annex.

6. Those recommendations that are addressed to Governments are commended to Heads of Government for their consideration and for such action as may be appropriate.

Discussion by Senior Officials

7. The Report of the Advisory Committee was discussed by Senior Officials at their meeting in Kuala Lumpur in November 1978. The discussion revealed considerable differences of emphasis and approach to the role of NGOs in national life. Nevertheless, there was general agreement that the Advisory Committee had made a valuable survey of relationships between the official and unofficial Commonwealth and had produced some constructive suggestions aimed at strengthening these relationships.

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8. In particular, Senior Officials welcomed the Advisory Committee's recommendations concerning the Commonwealth Foundation and spoke very apreciatively of the Foundation's successful promotion of professional co-operation. There was general agreement that the mandate of the Foundation should be expanded in order to enable it to provide assistance in certain new areas and that further details should be provided of the additional financial resources that the Foundation required. Subject to this proviso, Senior Officials supported the Secretary-General's view that the provision of increased financial resources for the Foundation merited first priority among the Advisory Committee's recommendations.

9. The remainder of the discussion centered on the following recommendations:

(*a*) *The setting up of a NGO desk within the Secretariat for an initial trial period of 3 years*

Some Senior Officials considered that the establishment of a NGO desk would be one of the most effective ways of contributing to improved links between the official and unofficial Commonwealth. Others expressed reservations on the proposal and doubted whether the cost of running the desk (estimated at £43,000 in the first year and £33,000 per annum thereafter) could be justified, having regard to other priority projects.

(*b*) *Regular consultation between the Secretariat and NGO representatives*

Senior Officials noted that consultations with an extensive range of NGOs were already part of the Secretariat's normal practice, and accepted the Secretary-General's assurance that efforts would be made to augment these wherever possible.

(*c*) *NGO representation as observers at important Commonwealth consultancy bodies*

Senior Officials saw merit in the adoption of this recommendation in respect of meetings of technical consultative groups which are normally held at the official level, such as the Commonwealth Education Liaison Committee, but considered that the decision on whether to invite NGO representatives should be taken by each group.

(*d*) *NGO representation at ministerial meetings*

It was noted that the composition of national delegations to ministerial meetings was a matter for each government to determine. Regarding the recommendation that relevant pan-Commonwealth NGOs should be invited to attend ministerial meetings (as was already the practice at the Commonwealth Education and Medical Conferences) most Senior Officials expressed their disapproval: it would be difficult to preserve the confidential character and spirit of informality, which are essential and valued elements of these meetings, if NGO representatives were present. It was considered that the present practice, whereby each ministerial meeting decided in advance whether to invite NGO representatives, should continue, and that it would not be appropriate to formulate a rigid policy on this issue.

(*e*) *Closer association of NGOs with the programmes of CFTC*

It was noted that the present co-operation between appropriate NGOs and the CFTC would be maximised, particularly in the areas of technical assistance.

(*f*) *A greater role for NGOs in information and education about the Commonwealth*

Senior Officials supported the view that NGOs have an important contribution to make in the dissemination of information about the Commonwealth, and in creating a better understanding of the nature and work of the Commonwealth.

10. Heads of Government are invited to consider the recommendations of the Advisory Committee, particularly those relating to the future income of the Commonwealth Foundation and the possible establishment of a NGO desk or unit within the Secretariat. In the former connection, their attention is drawn to the papers, HGM (79) 4 and HGM (79) 5, prepared by the Trustees of the Commonwealth Foundation.

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ANNEX to
HGM (79) 9

ADVISORY COMMITTEE ON RELATIONSHIPS BETWEEN THE OFFICIAL AND UNOFFICIAL COMMONWEALTH

Summary of suggestions and recommendations

1. NGOs should establish closer links and extend co-operation among themselves.

2. Official Commonwealth bodies at all levels, national, international and regional, should make a conscious drive to establish regular exchanges with the unofficial sector.

3. Governments should:

(*a*) consider creating or nominating a specific unit or liaison centre to establish and maintain contact with national NGOs and to channel information to them on appropriate government plans and material to official bodies on activities of relevant NGOs;

(*b*) encourage the larger national NGOs to create mechanisms for bringing the activities of relevant local bodies to their notice;

(*c*) recognise that the maintenance of the integrity and personality of NGOs is essential to a healthy society, consider ways of assisting them without infringing their independence and convince them that such assistance is possible;

(*d*) consider the advantages of including NGO representatives in their delegations to Ministerial meetings, including those of Heads of Government;

(*e*) take positive measures to assist with distribution of materials about the Commonwealth.

4. The Commonwealth Secretariat should:

(*a*) set up a NGO desk within the Secretariat, for a trial period of three years to serve as a central point of contact with Commonwealth NGOs and with NGO liaison units that may be nominated by member Governments;

(*b*) with the Commonwealth Foundation, hold regular consultations with representatives of NGOs to exchange information and discuss matters of common concern;

(*c*) encourage important official consultative bodies, such as the Commonwealth Education Liaison Committee, to invite NGO representatives to meetings in an observer capacity.

REPORT OF THE COMMONWEALTH COMMITTEE ON SOUTHERN AFRICA

JUNE 1977–JUNE 1979

I. INTRODUCTION

At their London Meeting in June 1977, Heads of Government agreed that the Commonwealth Sanctions Committee should be renamed the Commonwealth Committee on Southern Africa to enable it, in addition to its previous responsibilities in respect of sanctions and questions concerning programmes of Commonwealth assistance, also to keep under review developments in Southern Africa as a whole. Since then, the Committee has held eight meetings, two under the Chairmanship of His Excellency Mr. Vernon Mendis, High Commissioner for Sri Lanka, and six under the chairmanship of the High Commissioner for Trinidad and Tobago, His Excellency Mr. Eustace Seignoret. Commonwealth Governments were represented at these meetings by their High Commissioners or their representatives in London and by senior British officials from the Foreign and Commonwealth Office.

2. In considering the question of our Report to Heads of Government, we recognised that a full account of important political developments concerning Zimbabwe and Namibia—and of our deliberations thereon and the Secretariat's role—as well as information on the Commonwealth's programmes of assistance were already contained in the Secretary-General's Biennial Report to Heads of Government. We therefore agreed that, while highlighting some of the more recent developments, our Report should focus on the options which Heads of Government might wish to consider for possible Commonwealth action.

II. SIGNIFICANT POLITICAL DEVELOPMENTS

Zimbabwe

3. In the period since the June 1977 London Meeting of Commonwealth Heads of Government, the Rhodesian question has been largely dominated at the political level by two main issues: Anglo-American efforts towards a negotiated settlement, often actively supported by African Commonwealth countries particularly Botswana, Nigeria, Tanzania and Zambia, and the illegal régime's pursuit of an internal solution in defiance of world opinion. In the meantime there has been, as Heads of Government warned in Kingston in 1975 and again at London in 1977, a dramatic escalation of the armed conflict within Rhodesia, leading now to frequent violations of the territorial integrity of Zambia and other neighbouring countries. The casualty rate within Rhodesia has now reached more than 1,000 per month, and the vast mass of the rural population is caught up in what the International Red Cross has described as a "rapidly deteriorating humanitarian situation". We remain appalled by the continuing suffering and loss of life.

4. The processes of the internal settlement reached a climax with the holding of elections in April under conditions of martial law and under constitutional arrangements previously approved by a referendum limited to the white community. ZAPU and ZANU did not participate in the elections nor did any white party other than the Rhodesia Front. Bishop Muzorewa, whose party (UANC) won 51 of the 72 seats reserved for blacks, assumed the office of Prime Minister.

5. Quite apart from the question of their validity as a political process, we believe that the crucial issue that needs to be considered is whether the basis on which these elections were held would in fact achieve or even contribute to a lasting and peaceful solution based on majority rule.

6. For many years, the Commonwealth along with the rest of the international community has firmly adhered to the position that the only acceptable solution to the Rhodesian question must be one based on majority rule with a genuine transfer of power from the white minority. It was with these considerations in mind that we gave careful attention to the arrangements embodied in the "constitution for Zimbabwe Rhodesia"; this, in turn, led us to request the Secretariat to bring to the notice of the international community the true nature of these arrangements.

7. The Secretariat's analysis, reproduced at *Annex A*, fully justified our own conclusion that since the provisions of the "constitution" firmly entrench political, military and economic power in the hands of the white minority, the elections could not, and indeed were not intended to, produce majority rule. We regard as particularly unacceptable a political structure that gives a tiny percentage of a country's population the power to veto constitutional amendments which a Government supposedly representing the people as a whole may wish to make. In this connection, it would be recalled that the overwhelming black population, unlike the white minority, was denied the opportunity prior to the elections of expressing itself on the constitutional conditions under which it preferred to be governed. The elections were in effect a choice as between the internal settlement groups for an essentially subordinate role in the administration of the country. That they took place is a fact. That they did not usher in majority rule is also a fact. The UN Security Council, for its part, having reviewed the matter on 30 April condemned the internal elections and reaffirmed that both these elections and their results are null and void. On 7 June, President Carter announced that he did not propose to accept the Senate's recommendation on the lifting of sanctions. We welcome this principled decision.

8. In our view, the present situation holds little prospect for an end to the mounting suffering and bloodshed in Rhodesia; indeed, recent developments may intensify the conflict. If an acceptable solution is to come to Zimbabwe through negotiations, it is self-evident that it must be by a process involving all parties to the conflict. To proceed on any other assumption is to accept the inevitability of a military solution alone—and one that could dangerously internationalise the conflict. A necessary first step in the direction of a negotiated settlement should, we believe, encompass an effective cease-fire agreement, linked with agreed transitional arrangements leading to internationally supervised elections. We are convinced that Commonwealth Governments continue to have a major role to play towards achieving this essential objective.

9. The British Government representative did not concur in all aspects of the preceding paragraphs. The Committee has, however, noted that it is the stated objective of the British Government to bring Rhodesia back to legality with the widest possible international recognition; and that assurances have been given by that Government to the effect that "every effort will be made to end the conflict in Rhodesia and to bring about a lasting settlement based on the democratic wishes of the people of that country". The Committee particularly welcomed the undertaking given by the British Government to consult with Commonwealth countries in the achievement of the independence of Zimbabwe under majority rule. It believes that the unfolding of these assurances and undertakings can contribute to the fulfilment of shared Commonwealth objectives for Zimbabwe.

Namibia

10. As in the case of Zimbabwe, the Namibian problem in the past two years has been characterised by attempts aimed at finding a negotiated settlement.

The five Western members of the Security Council (Britain, Canada, Federal Republic of Germany, France, and the US), the Front-Line States and Nigeria have played a leading role throughout this period. In expressing our appreciation to these countries for their efforts, we commend also those Commonwealth Governments who have responded positively to the UN Secretary-General's request for military and civilian personnel as part of the UN force for Namibia.

11. The prospects for an early solution are presently in grave doubt following South Africa's reiteration to the Five on 7 May that it would not co-operate in implementing the plan for Namibia's independence on the lines proposed by the UN Secretary-General in his report of 26 February to the Security Council. It will be recalled that Dr. Waldheim's proposals had been described by the Five as being "fair and reasonable". We are also concerned at South Africa's decision supporting the establishment inside Namibia of a National Assembly.

12. In relation to South Africa's policies concerning Namibia, Heads of Government would be aware that the Security Council has already warned South Africa that failure to co-operate in implementing the plan for Namibia's independence would compel it to take appropriate action against South Africa under the UN Charter including Chapter VII; for this same reason, the General Assembly, too, has frequently called for the implementation of international measures against South Africa.

13. In spite of the present serious difficulties, it is our sincere hope that the Five will continue to do everything possible in furtherance of a successful negotiated outcome. While looking forward to this, it is prudent to recognise that if by the time of the Lusaka Meeting, Namibia's road to genuine independence still remains blocked, Heads of Government may wish to explore how best they could mobilise support in furtherance of the objectives of the international community.

Sanctions

14. It is generally conceded that the serious problems currently afflicting the Rhodesian economy are essentially due to the severe consequences of the armed struggle rather than through any significant impact of the sanctions policy. The latest UN estimated trade figures—contained in the Tenth Report of the Security Council's Sanctions Committee—show that in 1976 Rhodesia exported US$748 million and imported US$620 million worth of goods. It is further calculated that of these totals some US$312 in exports and US$364 in imports were traded with the outside world via South Africa. Even after allowing for a degree of inaccuracy, these statistics confirm that, in addition to south Africa, business interests in various countries in collusion with the Rhodesian authorities continue to devise means intended to evade the sanctions policy. We have repeatedly reiterated the Heads of Government condemnation of these violations which, we believe, would be drastically reduced if all countries rigidly applied their enforcement procedures.

15. At their London Meeting, particular attention was paid by Heads of Government to the question of the evasion of oil sanctions. Apart from undertaking to re-examine legislation with a view to strengthening enforcement provisions in their own countries, Heads of Government also asked the Committee urgently to consider the matter and to submit recommendations. On 19 October, 1977, we made the following two proposals.

16. The first, adopted unanimously and subsequently reaffirmed, recommended that Governments directly or indirectly involved in the supply of oil and oil products to South Africa should seek verifiable guarantees from that Government that such supplies would not find their way to Rhodesia. We also stressed the need, in the event that South Africa did not co-operate, for seeking

from the Security Council a decision to impose a mandatory embargo on the supply of these products to South Africa itself. While there was full agreement on the merits of such an approach, some members felt that careful consideration would need to be given regarding the most appropriate time for implementing the Committee's recommendation. In its report to the Security Council dated 4 May, 1979—document S/13296—the UN Committee on Sanctions recommends action on oil sanctions substantially similar to our own proposal but time-bound.

17. We also recommended that Heads of Government should seriously consider extending the provisions of existing sanctions legislation so that they applied to South African subsidiaries of oil companies in the same way that they applied to nationals outside the jurisdiction engaged in sanctions breaking. Some members expressed reservations on the principle and feasibility of enacting such legislation. Others, however, believed that these difficulties could be met if, in the first instance, the action proposed was specifically authorised by an appropriate resolution of the Security Council.

18. Following the publication of the Bingham Report, we expressed grave concern at the many allegations of sanctions evasions made against BP and Shell. We welcome the British Government's decision to pursue the matter as necessary through the Director of Public Prosecutions. We have also been encouraged by the recent decision of the US Justice Department to re-open its investigations into alleged violations of sanctions by American oil companies. While hoping that these inquiries will be completed as soon as possible, we would also urge other countries, whose companies have been similarly accused, to initiate similar action.

19. It is well known that South Africa is the only country which openly continues to defy the UN Sanctions policy. Unless there are firm indications of a radical change in this pattern of defiance, we believe Heads of Government will have to consider appropriate measures for effecting the desired change in the situation.

The opportunities of Lusaka

20. The problems of Southern Africa, more clearly interlinked than ever, were never more grave. Their implications go far beyond the Commonwealth but we have special obligations in this matter both to the people of Zimbabwe and the wider international community. The Meeting of Heads of Government in Lusaka offers a political opportunity that is unique and timely to forge convergences of view towards a principled and practicable approach to Zimbabwe's independence on the basis of majority rule. We earnestly hope that it be taken.

III. COMMONWEALTH HUMANITARIAN ASSISTANCE TO SOUTHERN AFRICA

21. The Commonwealth Secretariat's role in the provision of assistance to Southern Africa, consistent with the broader terms of reference deriving from the 1977 Heads of Government Meeting, has increasingly reflected Commonwealth concern for development in the region as a whole. Details of the assistance given through the Secretariat appear in the Secretary-General's Report to Heads of Government.

22. At their Meeting in London in 1977, Heads of Government pledged continuing support for Commonwealth programmes of assistance for the peoples of Zimbabwe and Namibia, and appreciated the need to increase the resources available to broaden the scope of these programmes. In pursuance of this decision, the Committee established a Working Group to examine the

Commonwealth contribution to manpower training programmes for Zimbabwe and Namibia. The Working Group noted that Commonwealth Governments provided assistance both bilaterally and multilaterally and in a variety of forms. Multilateral assistance had been channelled through the programmes of the UN and non-governmental organisations, as well as through the Commonwealth Secretariat. The Group commended the Secretariat's scholarship programmes as cost-effective and efficiently administered and recommended that serious consideration should be given to their expansion in order to help provide the trained manpower necessary for the post-independence development of Zimbabwe and Namibia. In this connection, the Committee noted the Secretariat's efforts to provide employment opportunities for students who had completed their training, and endorsed the Group's recommendation that Commonwealth Governments should provide more such opportunities.

23. The Group drew particular attention to the severe shortages of educated, trained and experienced manpower in Namibia, and considered that the scale of Commonwealth assistance to Namibia, which was considerably smaller than that provided for Zimbabweans, could not be regarded as adequate. Following the acceptance of the Working Group's report by the Committee, and by the Board of Representatives of CFTC, the Secretary-General invited Commonwealth Governments who wished to channel their assistance to Namibia through Commonwealth multilateral channels, to make additional contributions to CFTC, "earmarked" for an expanded programme of assistance to Namibia. Britain, Cyprus and New Zealand responded to this invitation, contributing a total of £128,000 in 1978–79.

24. Commonwealth Governments in 1978–79 provided bilateral and multilateral funds for scholarships for Zimbabwean students now totalling approximately 3,000. These included 370 full-time students in 21 Commonwealth developing countries and 300 correspondence students inside Zimbabwe who were supported by the Commonwealth Zimbabwe Scholarship Fund, established in 1972, to which the Governments of Australia, Britain, Canada and New Zealand contribute. On a smaller scale, within the resources available to the Secretariat, 170 Namibian students received CFTC training awards in 1978–79. The Committee has noted with appreciation that Commonwealth Governments are prepared to make available substantial numbers of training places for students from Zimbabwe and Namibia. Additional financial resources would permit the Secretariat to increase the number of awards: there is no shortage of well-qualified applicants.

25. In response to the evolving situation in Southern Africa, the Secretariat has endeavoured not only to cater for the manpower training requirements of Zimbabwe and Namibia, but also to make a contribution towards the resolution of developmental problems which Zimbabwe and Namibia will face once genuine independence has been achieved.

26. Studies commissioned by the Secretariat seek to provide factual analyses which will assist the Commonwealth and the wider international community to respond to emerging requirements. They will also, it is hoped, help the leaders of genuinely independent and internationally accepted governments in both Zimbabwe and Namibia in formulating policy decisions, but no attempt has been made to anticipate decisions which are properly a matter for such governments once they emerge.

27. In the case of Zimbabwe, this approach has led to an emphasis on surveying skilled manpower requirements and resources, while in the case of Namibia, in response to a request, data have been assembled on the mineral sector so critical to that country's economy. A broad survey of an independent Zimbabwe's immediate manpower needs and training requirements (a summary of conclusions and recommendations is attached at *Annex B*) has paved the way for

more detailed study of particular sectors; for example, mining, manufacturing, government and transport. A start has been made with transport. A study has been commissioned of the manpower needs of Zimbabwe's railway system and of training resources, especially in Commonwealth institutions, including those in the wider region, which are available to meet these needs. This priority was identified, not only because of the intrinsic importance of the railways to Zimbabwe's own economy, but also because of the significance of an independent Zimbabwe to the development of an integrated regional transport system. The Committee commended such preparatory studies, which were helpful to both multilateral and bilateral donor agencies. It was suggested that the scope of this work should be extended.

28. Heads of Government in 1977 asked the Secretary-General to assess the impact of the Southern Africa situation on the economies of the Front-Line States. A report on the burden of the liberation struggle was prepared and circulated to member Governments to assist them in formulating their response to international assistance programmes. Much more international support is required if even minimum development objectives are to be sustained. Increasingly, however, the Secretariat is also responding to requests to undertake projects which help prepare the way for future co-operation among the countries of Southern and Central Africa, including Zimbabwe and Namibia once they achieve genuine and internationally accepted independence. A pre-feasibility study of port improvements at Beira, carried out under the Commonwealth Fund for Mozambique, included traffic studies embracing not only Zambia, Malawi and Zaire, but also, an independent Zimbabwe. Among the technical assistance provided to the Front-Line States through CFTC's regular programmes is a pre-feasibility study, recently commissioned at the request of the Government of Botswana, of a transport link between that country and an independent Namibia. The long lead-time involved in executing major infrastructural projects more than justifies the prompt execution of such preliminary studies.

29. The Committee recommends that the Secretariat should continue to pursue an increasingly integrated, but still highly flexible, response to those developmental needs of the region which it is best equipped to meet. Assured resources are necessary to expand projects and programmes so as to react speedily as new needs emerge in a rapidly evolving situation. In its consultations with member governments, the Secretariat should seek to identify projects in which a timely but modest contribution can have a catalytic effect in mobilising assistance from major multilateral and bilateral donors. Already the priority training requirements of Zimbabwe and Namibia, identified in studies undertaken by the Secretariat and other agencies, are far in excess of pledged financial resources.

30. Southern Africa has increasingly become a major international preoccupation, but the particular commitment of the Commonwealth to the struggle to end racism and white domination in Southern Africa has long been acknowledged. The problems and the potential of the region are interdependent. Assistance to the Front-Line States must accompany efforts to promote change in those territories which have not yet attained genuine independence and freedom from minority domination. Effective assistance to the land-locked countries in the region requires that their transit routes through the coastal states are kept open.

31. The Committee wishes the Secretariat to continue to respond speedily and effectively to the developmental needs, including the need for the region as a whole to prepare for the opportunities which will increase as independence for Namibia and Zimbabwe comes closer. In active co-operation with member governments, the Secretariat is defining for itself a distinctive role among the international agencies. The Committee noted that, with only modest additional resources, this role could be developed significantly to complement the work of agencies far more generously endowed and that the Secretariat could undertake a great deal of valuable gap-filling and pump-priming activity.

32. The establishment of the Commonwealth Fund for Mozambique, following that country's decision fully to implement sanctions against Rhodesia, has made possible a modest multilateral contribution to the needs of this non-Commonwealth Front-Line State. The Secretary-General set a target of £1 million for the Fund, and £813,500 has been provided by Commonwealth Governments. Expenditure at the end of May 1979 was £710,000 and the balance has been provisionally commited for technical assistance from India and Commonwealth African countries. The Fund's resources are small when seen against UN estimates of up to US$165 million in the first year of applying sanctions. The Mozambique Government would welcome continued Commonwealth assistance and it is recommended that the Fund should continue to remain available to governments as a channel through which such assistance could be provided.

33. The Committee concludes that, while significant help is already being provided to the region through multilateral and bilateral channels, to which individual Commonwealth countries make an important contribution, further international assistance is needed on a substantial scale. Funds are urgently required for additional education and training and will also undoubtedly be required for the work of reconstruction and to forge new collaborative programmes which have been impeded by political constraints. The Committee believes that, against the background of a collective Commonwealth commitment and through the skills and experience which it can draw from its diverse membership, the Secretariat, while avoiding duplicating the activities of other agencies, has a special duty and special opportunity to intensify the preparatory work necessary to ensure that these resources are not only mobilised but also effectively deployed in the best interests of the whole Southern African region.

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AN ANALYSIS OF THE ILLEGAL REGIME'S " CONSTITUTION FOR ZIMBABWE RHODESIA "

Introduction

The Draft " Constitution " published on 2 January, 1979 by the illegal régime in Salisbury has been heralded by its proponents as ushering in both majority rule and a non-racial society. It is under this " Constitution " that " elections " are scheduled to be held on or about 20 April, 1979. The " elections " are to be staged in a country where a war is raging which presently claims more than a thousand lives a month, where martial law imposed by a minority prevails and where the present illegal régime wields absolute power of censorship so as to control and distort the flow of information and the portrayal of events even more effectively internally than it does abroad. No election held in such circumstances can possibly be either " fair " or " free ", nor can an election campaign from which major parties with large popular followings are excluded be so described.

2. Any action of sending " observers " to Zimbabwe tends to lend credibility to what is internationally accepted as being a tragic charade, but present controversy over this issue also tends to obscure the fundamentally repugnant nature of the " Constitution " under which the elections are being conducted—and which is by any standards a most extraordinarily one-sided, racist and anti-democratic document. This analytical note seeks to reveal the grim realities of the " Constitution ".

Illegality

3. The so-called " Constitution of Zimbabwe Rhodesia " will be no more legal or valid than the UDI constitution it replaces. The régime it produces will not be any less illegal than that at present in Salisbury. Nor is this a technical matter merely. The major political movements of Zimbabwe have had no hand in framing the constitutional arrangements—which were put for approval only before the white community, some 3 per cent of the population.

President

4. The Head of State provided for in the " Constitution " is a President, to be elected by a simple majority of the members of the Senate and the House of Assembly meeting as an electoral college. As the representatives of those on the " Black ", or " common " roll, outnumber those of the " White " roll, they may be said to be given an opportunity of choosing the President. He would hold office for a term of six years, and be bound to act on the advice of the Executive Council, or such other person or body as the " Constitution ", in the circumstances, stipulates.

5. He would therefore be a titular, and not an executive President. He may be Black, but he would be nothing more than a figurehead.

Parliament

6. The Parliament under the " Constitution ", would consist of:

(*a*) a Senate of 30 members, of whom 10 are " Black Senators ", 10 are " White Senators ", and 10 are " Chiefs ". An additional two Senators may be appointed on the advice of the Executive Council so that they may serve on the Senate Legal Committee. The qualifications are such that these two additional senators would almost certainly be White.

(*b*) a House of Assembly of 100 members of whom—

(i) 72 " shall be Black members " elected by voters on the common voters role;

(ii) 20 " shall be White members " elected by voters on the " White voters roll "; and

(iii) Eight " shall be White members ", chosen by an electoral college in which " Black members " form the majority but from 16 candidates nominated by an all-White electoral college.

7. The Black members would have clear majorities in both the Senate and the House of Assembly; but these majorities are illusory, as later provisions render them inadequate to effect any real change. The " Constitution " is so framed as to restrict the powers normally exercised by such a Legislature to the point where it may fairly be asked whether, in fact, the " *majority* " would be left with any power with which to " *rule.*" The ways in which the powers which might be exercised by the Legislature are circumscribed are now examined in turn.

Amendments to the " Constitution "

8. The specially-entrenched provisions of the " Constitution " could only be amended with the affirmative votes of 78 members of the House of Assembly. The requirement of the affirmative votes of *more* than three-quarters of the membership of the directly-elected House gives the " White members " a power of veto over any proposed amendment to key constitutional provisions. The active support and participation of at least six of the " White members " are required if there is to be any change.

9. The full implications of these provisions, and the extent of the power retained by the minority over virtually every facet of social and economic life, can only be fully appreciated when the number and the nature of the specially-entrenched provisions is understood. Fully 123 of the 170 Articles fall into this category. They include provisions relating to—

(i) the composition of the Legislature;

(ii) the procedure of Parliament;

(iii) the Executive Council;

(iv) the declaration of public emergencies;

(v) the Judicature and the Judicial Service Commission; and

(vi) every aspect of the Public Service.

Retention and perpetuation of existing establishment

10. Further, among the miscellaneous " transitional provisions " are those which would automatically preserve in office the present (White) incumbents of such key posts as judges of the High Court, Chairman and members of the present Public Services Board, and commissioned ranks in the Defence and the Police Forces. In the context of Rhodesia, this provision effectively ensures perpetuation of the *status quo*; and, as the posts to which these officers succeed are given special constitutional protection, this state of affairs is guaranteed to continue until such time as at least six of the " White members " and all of the " Black members " are united in demanding to change it. Meanwhile the hand-picked appointees of the Smith régime are preserved in office.

11. Allied to this are the qualifications required for appointment to each of the key posts established by the " Constitution ", and given special entrenchment. These offices and institutions are carefully designed to interlock, to inter-react, and to perpetuate themselves. They hold enormous power over the day-to-day life of the country, yet the qualification requirements, in the context

AN ANALYSIS OF THE ILLEGAL REGIME'S " CONSTITUTION FOR ZIMBABWE RHODESIA "

Introduction

The Draft " Constitution " published on 2 January, 1979 by the illegal régime in Salisbury has been heralded by its proponents as ushering in both majority rule and a non-racial society. It is under this " Constitution " that " elections " are scheduled to be held on or about 20 April, 1979. The " elections " are to be staged in a country where a war is raging which presently claims more than a thousand lives a month, where martial law imposed by a minority prevails and where the present illegal régime wields absolute power of censorship so as to control and distort the flow of information and the portrayal of events even more effectively internally than it does abroad. No election held in such circumstances can possibly be either " fair " or " free ", nor can an election campaign from which major parties with large popular followings are excluded be so described.

2. Any action of sending " observers " to Zimbabwe tends to lend credibility to what is internationally accepted as being a tragic charade, but present controversy over this issue also tends to obscure the fundamentally repugnant nature of the " Constitution " under which the elections are being conducted—and which is by any standards a most extraordinarily one-sided, racist and anti-democratic document. This analytical note seeks to reveal the grim realities of the " Constitution ".

Illegality

3. The so-called " Constitution of Zimbabwe Rhodesia " will be no more legal or valid than the UDI constitution it replaces. The régime it produces will not be any less illegal than that at present in Salisbury. Nor is this a technical matter merely. The major political movements of Zimbabwe have had no hand in framing the constitutional arrangements—which were put for approval only before the white community, some 3 per cent of the population.

President

4. The Head of State provided for in the " Constitution " is a President, to be elected by a simple majority of the members of the Senate and the House of Assembly meeting as an electoral college. As the representatives of those on the " Black ", or " common " roll, outnumber those of the " White " roll, they may be said to be given an opportunity of choosing the President. He would hold office for a term of six years, and be bound to act on the advice of the Executive Council, or such other person or body as the " Constitution ", in the circumstances, stipulates.

5. He would therefore be a titular, and not an executive President. He may be Black, but he would be nothing more than a figurehead.

Parliament

6. The Parliament under the " Constitution ", would consist of :

(*a*) a Senate of 30 members, of whom 10 are " Black Senators ", 10 are " White Senators ", and 10 are " Chiefs ". An additional two Senators may be appointed on the advice of the Executive Council so that they may serve on the Senate Legal Committee. The qualifications are such that these two additional senators would almost certainly be White.

(*b*) a House of Assembly of 100 members of whom—

(i) 72 " shall be Black members " elected by voters on the common voters role;

(ii) 20 " shall be White members " elected by voters on the " White voters roll "; and

(iii) Eight " shall be White members ", chosen by an electoral college in which " Black members " form the majority but from 16 candidates nominated by an all-White electoral college.

7. The Black members would have clear majorities in both the Senate and the House of Assembly; but these majorities are illusory, as later provisions render them inadequate to effect any real change. The " Constitution " is so framed as to restrict the powers normally exercised by such a Legislature to the point where it may fairly be asked whether, in fact, the " *majority* " would be left with any power with which to " *rule.*" The ways in which the powers which might be exercised by the Legislature are circumscribed are now examined in turn.

Amendments to the " Constitution "

8. The specially-entrenched provisions of the " Constitution " could only be amended with the affirmative votes of 78 members of the House of Assembly. The requirement of the affirmative votes of *more* than three-quarters of the membership of the directly-elected House gives the " White members " a power of veto over any proposed amendment to key constitutional provisions. The active support and participation of at least six of the " White members " are required if there is to be any change.

9. The full implications of these provisions, and the extent of the power retained by the minority over virtually every facet of social and economic life, can only be fully appreciated when the number and the nature of the specially-entrenched provisions is understood. Fully 123 of the 170 Articles fall into this category. They include provisions relating to—

(i) the composition of the Legislature;
(ii) the procedure of Parliament;
(iii) the Executive Council;
(iv) the declaration of public emergencies;
(v) the Judicature and the Judicial Service Commission; and
(vi) every aspect of the Public Service.

Retention and perpetuation of existing establishment

10. Further, among the miscellaneous " transitional provisions " are those which would automatically preserve in office the present (White) incumbents of such key posts as judges of the High Court, Chairman and members of the present Public Services Board, and commissioned ranks in the Defence and the Police Forces. In the context of Rhodesia, this provision effectively ensures perpetuation of the *status quo*; and, as the posts to which these officers succeed are given special constitutional protection, this state of affairs is guaranteed to continue until such time as at least six of the " White members " and all of the " Black members " are united in demanding to change it. Meanwhile the hand-picked appointees of the Smith régime are preserved in office.

11. Allied to this are the qualifications required for appointment to each of the key posts established by the " Constitution ", and given special entrenchment. These offices and institutions are carefully designed to interlock, to inter-react, and to perpetuate themselves. They hold enormous power over the day-to-day life of the country, yet the qualification requirements, in the context

of Rhodesia, are drawn in such a way as effectively to exclude people drawn from over 96 per cent of the population from participating in their processes for at least a generation. The posts include:

(*a*) appointees as **judges of the High Court** (both of the Appellate and of the General Division), who must have been a judge of a superior court "in a country in which the common law is Roman-Dutch and English is an official language" *or* have been qualified for not less than 10 years to practise as an advocate either in Zimbabwe or in a country where the common law is Roman-Dutch and English is an official language. The effect is to virtually rule out appointments to the bench of Zimbabwean and other African lawyers, and to facilitate the appointment of South African judges. The retention of the existing all-White judiciary, of course, preserves in office the judicial overseers of the illegal régime, who have so debased and discredited the country's judicial system.

(*b*) members of the **Judicial Service Commission** (whose major function is to make recommendations to the President for appointments to the High Court) who comprise the Chief Justice, the Chairman of the Public Service Commission, and one other member (appointed by the President acting on the advice of the Chief Justice) who has *either* been a judge of the High Court, *or* qualified to practise as a lawyer for at least 10 years in Zimbabwe, *or* has stood for election to either House of Parliament or to a local authority.

(*c*) the **Attorney-General** (who controls prosecutions in the independent exercise of his discretion), who is appointed by the President on the recommendation of the Judicial Service Commission, and must *both* be qualified for appointment as a judge of the High Court, *and* have served in the Attorney-General's Department for at least 10 years.

(*d*) members of the **Public Service Commission**, who are to be chosen for "their ability and experience in administration or their professional qualifications", and the majority (including the Chairman) who must be persons who have held designated senior posts in the Public Service for at least five years.

(*e*) the **Commissioner of Police**, who is appointed by the President on the recommendation of the Judicial Service Commission with not even the Prime Minister having any effective say in the matter, and must have held no lesser rank than Assistant Commissioner of Police for at least five years; and in turn, the Commissioner of Police advises the President on all appointments to and above the rank of Inspector.

(*f*) appointees to the **Police Service Commission**, which has as its Chairman, the Chairman of the *Public* Service Commission, and at least half of whose other members must have held the rank of Assistant Commissioner of Police or above, for not less than five years.

(*g*) the **Commanders of the Army, the Air Force and any other branch of the Defence Forces**, who must have held the rank of Colonel or Group Captain or above (as the case may be) in the existing defence forces for at least five years. And each is appointed by the President on the recommendation of a Board which comprises two of the Commanders (including the retiring Commander as Chairman), and a third member, who is a Secretary of a Ministry in the Public Service. In these appointments, as elsewhere, not even the Prime Minister has any real role. The "majority rulers" again exercise no authority: as in the other instances cited, the appointments are effectively *of* Whites, and made *by* Whites.

(*h*) appointees to the **Defence Forces Service Commission** (which has overall responsibility for the day-to-day administration of the defence forces) which consists of the Chairman of the Public Service Commission, at least two members who have held the rank of Colonel or Group Captain or above for not less than five years, and no more than two other members chosen for "their ability and experience in administration".

(*i*) the **Ombudsman**, who requires no special qualifications but is appointed by the President on the advice of the Judicial Service Commission.

(*j*) appointees to the **Senate Legal Committee** (whose main function is to scrutinise proposed legislation to ensure that it would not contravene the Declaration of Rights set out in the "Constitution") who must be *either* a retired judge of the High Court, *or* have been qualified for not less than 10 years to practise as an advocate or attorney in Zimbabwe, *or* have been a magistrate in Zimbabwe for at least 10 years.

(*k*) the **Comptroller and Auditor-General**, who is appointed by the Public Service Commission and must have held a designated high office in the Public Service for at least five years.

(*l*) the principal **diplomatic representatives** of Zimbabwe abroad, who can only be appointed by the President acting on the advice of the Prime Minister, after the Prime Minister has consulted with the Public Service or other appropriate Commission.

12. It will be noted that the qualifications are pitched so high that it would be decades rather than years before the vast majority could be said to have been afforded a real opportunity to participate in the decision-making processes of government and in the public life of the country. Nor is there any chance of accelerating Black participation in the Public Service by reversing the historical legacy of deliberate exclusion of Africans, however well educated, from responsible positions. White domination is further guaranteed by the Public Service Commission being compelled to appoint the candidates who are "the most efficient and suitable".

Ministries

13. Under the "Constitution", for at least the first five years the number of Ministries would be divided among the various parties in proportion to the number of seats they hold in the House of Assembly. As the "White members" number 28, a minority block of only 3 per cent of the population would control between one-quarter and one-third of the Ministries. This would seem to ensure that, politically speaking, the "White" block will hold the balance of power. The opportunity is thereby created for the minority to select and perhaps even to provide the Prime Minister.

14. Further, despite the designation of their office, the Ministers would have no effective say in the appointment of their principal advisers (to whom they would look to supervise the execution of their policies). In the fields of the police, and of defence and security, the Ministers are rendered virtually irrelevant, with all effective power being in the hands of the (necessarily-White) Force Commanders and the Police Commissioner, who are not answerable to their Ministers. Only the Prime Minister or such other Minister as he may authorise may give any directions at all to any of them, and then they may only be "general directions of policy with regard to the [maintenance of law and order] [defence of Zimbabwe Rhodesia]". Each of them is, in specific terms, "not . . . in the exercise of his responsibilities and powers . . . subject to the direction or control of *any* person or authority". Should all or any of them choose flagrantly to disregard any "general direction", such are the semantics of the "Constitution" that no Minister, nor even the President, would have power to dismiss them. This could only be done by the (unquestionably all-white) Defence Forces Service Commission or Judicial Services Commission—and then only if it "deemed" such action "fit".

Review Commission

15. The " Constitution " provides for a review of the composition of Parliament after a defined period, when a Commission would decide what changes, if any, should be made. It might be thought that this review assures eventual transition to " majority rule " in the true sense of the expression. However, if and when such a review were to be carried out (and it would not be for at least ten years at the earliest), the Commission conducting the review would comprise—

(*a*) the Chief Justice or his nominee (as Chairman);

(*b*) two members elected by the " White members " of the House of Assembly; and

(*c*) two appointed by the President on the advice of the Prime Minister.

16. The realities of life in Rhodesia and the appointment procedures are such that the minority group is certain to provide the Chief Justice. Thus the majority of the membership of the Commission, whose role ought properly to be to usher in a real democracy, would unquestionably be White. Even at so late a stage—when the scene is supposedly set for abolition of the separate Black and White electoral rolls and for the elimination of the separate Black and White seats other than those of the Chiefs—the White minority would still hold the power of veto.

Health, education, housing and electoral law

17. Health services, education and housing are the areas of critical need for the vast majority of the population today. They are also the areas in which White minority domination has been at its most repressive. One would normally look to the provisions of a Constitution as seeking to redress inequities and to guarantee basic rights in these fundamental areas of human need. Yet this " Constitution ", far from expressing resolution to redress the inequalities of the past and present, goes so far as to specially entrench key provisions in existing legislation.

18. Thus, for all the " Constitution's " apparent concern with the quality of life in all its aspects, it actually goes so far as to guarantee and perpetuate White domination and White privilege wherever it now exists—and until such time, if ever, as the Whites voluntarily surrender it.

Land reform and compensation

19. At present, fully half of Rhodesia's disposable land is held by the minority group. Any attempt to redress the institutionalised inequalities of the past must inevitably involve a substantial programme of land reform.

20. The " Constitution ", however, places considerable, perhaps even insuperable, barriers in the path of any such action. The Legislature and Executive are denied any power to compulsorily acquire land other than under the authority of a law which—

(*a*) requires the High Court to determine whether the acquisition is necessary in the public interest; *and*

(*b*) requires the High Court to refuse any application to compulsorily acquire land unless " it is satisfied that, having regard to its area and suitability for those purposes, that the piece of land in question has not been substantially put to use for [agricultural] purposes for a continuous period of at least five years immediately prior to the date of application . . ." periods of non-use for reasons of " any public disorder " are to be disregarded; *and*

(*c*) requires the High Court, should it approve the acquisition, to fix as adequate compensation an amount which would not be " *less* than the *highest* amount which the land . . . would have realised if sold on the open market by a willing seller to a willing buyer *at any time during the period of five years immediately prior to the date of the acquisition* " (emphasis added).

[And the owner of land so acquired (if a citizen of if ordinarily resident) is given the absolute right to remit the compensation anywhere abroad, free from any " deduction, tax or charge ", other than ordinary bank transfer charges.]

21. In the context of Rhodesia today, a combination of an economy ruined by war; a novel method to maximise the minimum compensation payable; an absolute right to remit proceeds abroad taken with a chronic balance-of-payments situation; vast imbalances of wealth between the two sections of the community; and the very broad discretion given to a judiciary (whose composition is, at best, unrepresentative): all only serve to frustrate essential land reform and to perpetuate a denial of the legitimate aspirations of the majority of the people. In such a setting, this clear-cut conflict between public need and private interest calls to be resolved on the side of humanity. However, it is difficult to conceive of any way in which a progressive government's task could have been made more onerous. In matters of land, as well as those of education, health and housing, the domination of the minority has been constitutionally secured.

Discrimination

22. As has been noted, in all of the major facets of life, the special, privileged status of a racially-defined minority is perpetuated. Nor is any attempt made even to outlaw discrimination in places of public resort, shops, hotels and entertainment.

23. Although, and as one would expect, the " Constitution " outlaws discrimination in all its forms in the customary resounding terminology, some of its own major provisions offend against this principle. Not only are specified statutes especially entrenched, but the validity of *all* existing laws is preserved. Such a preservation is, in other contexts, a common provision; however, in the prevailing situation it preserves and protects the entire Statute Book of a racially-discriminatory régime. Nor is this done merely to provide a breathing space in which to phase out objectionable legislation—except for existing legislation relating to the compulsory acquisition of property, which alone is singled out as requiring immediate attention if it is not to be struck down by the courts. All else remains.

24. Indeed, not content with merely fortifying the minority's stranglehold, the " Constitution " would render it impossible for a government to remedy the imbalance. Any programme, legislative or otherwise, designed to redress the legacy of more than a century of sustained deprivation, would most assuredly founder on the very provisions which are expressed in terms that prohibit discrimination—but ones which are carefully circumvented and rendered inapplicable where Whites are the beneficiaries.

25. As in all constitutional matters, the decision as to whether or not a specific proposal infringed against the " Constitution " (in this instance as being discriminatory by being designed to assist the deprived majority) would fall to be determined by the (unrepresentative) High Court.

Conclusions

26. As this brief analysis shows, virtually every lever of institutional power has been retained in White hands: those few surrendered have been effectively emasculated. Only the election of the President could be said to meet the claim of being democratic, and it is significant that his role is simply that of a figurehead. Rather, the people at large are bequeathed a government bereft of the power to

govern effectively, and a Legislature denuded of all means either to change the *status quo*, or to advance the legitimate aspirations of the nation as a whole. Taken as a whole, and judged by the democratic standards claimed for it by its proponents, it is revealed as a carefully woven, carefully contrived subterfuge for sustaining a wholly anti-democratic régime.

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ANNEX B to
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SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS CONTAINED IN THE COMMISSIONED STUDY *THE IMMEDIATE MANPOWER AND TRAINING NEEDS OF AN INDEPENDENT ZIMBABWE*

1. The skilled manpower resources among Zimbabwean Africans are considerable, particularly when compared with those of other African States at the time of their independence. But these resources fall far short of what will be required to maintain reasonable levels of economic activity, to tackle the pressing tasks of social and economic reconstruction and to meet the basic needs of the majority of the people. Against this background, existing education and training opportunities, including those provided in other countries, must be judged inadequate.

2. The needs for additional skilled workers which will be generated by a European exodus, on reasonable minimum and maximum assumptions, are large. The key sectors most likely to be affected by such an exodus are mining, manufacturing, agriculture, government and transport. Particularly important will be the replacement of whites on the railway system and at skilled and artisanal levels in construction and mining.

3. In aggregate terms, between 50,000 and 100,000 new workers are likely to be needed with at least four years of secondary schooling, of whom between 4,000 and 8,000 are likely to need university degrees or equivalent higher educational qualifications. In addition, between 35,000 and 70,000 of these workers should have had some vocational training as a preparation for the jobs concerned.

4. In addition to the basic education and training requirements, many of the senior professional and technical jobs require workers who have had earlier job-experience at more junior levels. Thus, a crucial aspect of labour training and development will be that of identifying Africans who have the experience and capacity for accelerated promotion and up-grading. This task will be one of the major challenges facing an independent government.

5. Although there will be shortages of persons with middle and higher levels of secondary schooling during the transitional phase, these gaps can soon be closed with some enhancement of current rates of secondary school expansion. Much more serious will be the shortage of workers with specific vocational skills in professional and technical fields.

6. There are very few formally certified African journeymen, but probably many thousands who have acquired such skills informally. Accelerated programmes aimed at identifying, strengthening and up-grading such informally skilled workers are an urgent priority in order to secure effective Africanisation of the artisan trades.

7. There will also be an urgent need to expand the capacity of the formal vocational training system—mainly the polytechnics and training centres. Meanwhile an expansion of existing scholarship programmes for training abroad is required. The key professional fields where transitional shortages will be most acute are engineering, geology, medicine, dentistry, veterinary science, accounting, and the legal, architectural and physical planning professions. Scholarships for degree-level placements must reflect these priorities. There is moreover a general need to focus more strongly upon science-based training. Some increased emphasis upon sub-degree technical training in existing scholarship programmes would also be highly desirable.

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THE WORLD ECONOMIC SITUATION AND INTERNATIONAL CO-OPERATION

Background Paper by the Commonwealth Secretariat

The current economic outlook is characterised by considerable uncertainty. The primary question is not whether the world economy will survive the current inflationary pressures or even the energy problem. In the last few years, the world has demonstrated a capacity to find short-term and *ad hoc* solutions to unexpected and unprecedented developments and the chances are that similar measures will be devised to somehow cope with current economic problems—at least to the satisfaction of some countries. As in the past, these *ad hoc* solutions are likely to be at the cost of long-term growth and employment objectives. The real issue before the international community, therefore, is whether the world economic system is capable of fulfilling the aspirations of people in both developed and developing countries for greater employment opportunities, speedy elimination of poverty, stable prices, and less unequal distribution of income.

Recent developments

2. The negative features of the world economic situation can be briefly recapitulated. There has been a slow down in the economic recovery which followed the 1974–75 recession. Even the most optimistic forecast for developed economies suggests a growth rate of around 3·5 per cent in the next two or three years, which is substantially below the growth of almost 5 per cent for the decade of the 1960s. Slower growth has been combined with higher inflation. The average inflation rate for the developed market economy countries is about 9 per cent which is higher than targets set by most countries. The measures to cope with rising rates of inflation are bound to further affect the growth potential of both developed and developing economies. Most of the larger economies are also experiencing unemployment rates which are higher than in the 1960s. The measures to cope with the inflationary situation have further reduced the ability of most governments to respond positively to the need to stimulate investment, relocate inefficient and low productivity industries and adopt expansionary policies.

3. The energy situation is potentially more serious than in the early 1970s. Apart from the question of price, there is real concern whether energy supplies can increase at the rate at which demand is increasing. Despite much discussion of energy problems in high-consumption countries, the world still lacks an energy policy which would reconcile the long-run interests of the consuming and producing countries. *Ad hoc* responses to meet shortfalls in oil availability are further reinforcing the global tendency towards recession, under-utilisation of capacity, and inflation. The oil importing developing economies, which consume only 13–14 per cent of the world's energy, mostly for essential purposes in agriculture, industry and transport, are the worst affected. Their ability to reduce their fuel consumption or to absorb further increases in the price of oil is strictly limited. In the result, the non-oil developing economies are likely to face massive current account deficits—already estimated to be of the order of US$40 billion.

4. The international monetary environment continues to be unstable. One reflection of this is the growing demand for gold despite international decisions to phase out gold from the monetary system. The question of the future of reserve currencies and the establishment of a viable SDR linked monetary system also remains unresolved. Despite the preference of most countries for fairly stable exchange rates, the exchange markets continue to be volatile.

5. For the developing countries, recent developments in the world economy have been particularly unsatisfactory. While the average growth rate for these countries as a group has been higher than that for the developed market-economy countries, the rate of growth in low income countries among them has been significantly lower—in some, barely keeping pace with growth in population. Apart from oil, they have also been adversely affected by substantial increases in prices of manufactured goods. To make matters worse, their exports have been adversely affected by the restrictive trade measures which have been adopted on products of particular interest to them such as clothing, textiles and footwear. As a result, particularly for the low income countries, external financing problems have intensified. They have been deeply affected by the declining trend in the ODA/GNP ratio and for most of them accommodation is not possible in private capital markets.

6. The softening of terms of aid in recent years for the least developed and poorer countries and the debt relief measures adopted by a number of donors with regard to some of their past ODA loans have had a positive effect on the debt-servicing situation of the beneficiary countries. In the prevailing economic situation, the total external debt of the developing countries has, however, continued to increase rapidly; the total outstanding external debt of developing countries amounted to US$244 billion in 1977. A number of developing countries, particularly those with relatively large amounts of commercial debt, continue to face serious debt servicing problems.

7. At first sight, there appears to have been a significant improvement in world food supply. World cereal stocks have now been replenished and are above minimum safe levels. However, even with favourable weather conditions, the production increase in the developing countries was only around 3 per cent, which is below the World Food Conference minimum target of 4 per cent. Performance has been worse still in the Food Priority Countries and the situation remains critical in many parts of Asia and Africa. Chronic malnutrition continues to be the lot of about one quarter of the population of developing countries.

8. The main problems in the area of international food policy continue to be an unsatisfactory system of world food security and inadequate external financial flows to meet production targets. With respect to assurance about fertiliser supplies, there has been some progress towards putting the International Fertiliser Supply Scheme on a more permanent basis as recommended by the last Heads of Government Meeting. The FAO Commission on Fertilisers has asked for the activities of the Scheme to be maintained and strengthened; this will, however, require further resources from donor governments.

International co-operation

9. After years of negotiations, agreement has now been reached on the basic elements of the Common Fund. Direct government contributions to the Fund will be US$470 million of which US$220 million will be paid in cash and the remainder partly on call and partly callable. At least US$70 million of the paid-in capital will be allocated to the Second Window. It has been provided that International Commodity Agreements (ICAs) will contribute one third of their maximum financial requirements to the Fund and assign their stock warrants to the Fund as collateral for their loans. With the further provision that member governments of ICAs will provide guarantees directly to the Fund to the full extent of the borrowing entitlement of the ICA concerned, the Stocking Window has been given a basis on which to build up borrowing capacity and thus become viable and effective.

10. The target for the minimum funding of the Second Window is US$350 million, at least US$70 million of which will be allocated from government subscriptions to the Fund. The remainder—a target of US$280 million—must be contributed on a voluntary basis. At a special pledging session at UNCTAD V, some governments were able to offer specific pledges and so far US$88 million has been contributed to the Second Window on a voluntary basis by 13 countries which have promised specified contributions. It is now for governments to assist in the evolution and operation of an effective Common Fund by a positive and constructive attitude to outstanding issues, including the early completion of pledges to the Second Window. The agreement represents a modest start; but a basis exists for the evolution of viable operations.

11. The Common Fund will finance stocking and other measures within the framework of international commodity arrangements. The commodity agreements themselves are an important part of the Integrated Programme. So far, however, after three years of preparatory work and negotiations, only one new ICA—sugar —has been established and it has yet to be implemented. In one other case—natural rubber—conclusion of an agreement is imminent. For a number of commodities—tea, copper, jute, hard fibres and tropical timber—preparatory work is at an advanced stage. For some of these commodities, *e.g.* tea and jute, Commonwealth interest is strong on both the export and import side and high-level informal consultations among the Commonwealth Governments concerned might be one way in which progress could be advanced. Also, now that the main elements of the Common Fund have been completed, greater attention will need to be given to other elements of the Integrated Programme such as compensatory financing, greater participation of developing countries in the processing and marketing of their commodities, and improvement in the marketing and distribution system.

12. Another international development of some significance is the conclusion of the Tokyo Round of the multilateral trade negotiations. For the developed countries, the achievements are not insignificant as agreement has been reached on reduced tariff levels and the improvement of the basic framework for the conduct of international trade by codes regulating non-tariff barriers etc. However, for the developing countries, the agreements reached so far fall far short of the principles and guidelines accepted in the Tokyo Declaration. Tariff cuts have been lower for products of export interest to developing countries and negotiations on tropical products have petered out, following the limited concessions granted in the earlier stages. The negotiations also failed to produce agreement on the elimination of restrictive measures, such as " voluntary restraints " and " orderly marketing arrangements ", which have been applied to key exports of developing countries like textiles and shoes.

13. Apart from greater access to markets, the North/South dialogue in the last few years has also been concerned with measures to augment the transfer of real resources to developing countries. In this area also, while there is a long-standing commitment on targets for the transfer of resources, implementation has fallen far short of either requirements or targets. According to the latest figures available, the transfer of official development assistance from DAC member countries to the developing countries in 1977 was US$14·7 billion or 0·31 per cent of the GNP of donor countries. In terms of GNP, the transfer of resources was lower than in 1970, while the increase in absolute amounts in real terms has been extremely modest. After substantial increases in the mid-1970s, the momentum of OPEC assistance has also slowed considerably as oil revenue surpluses have declined; with renewed expansion in their surpluses, these countries might be expected to maintain their aid efforts. The centrally planned economies have remained relatively small donors of ODA, except to particular developing countries, and they too could do more to assist.

14. The international financial institutions not only act as a channel for the transfer of financial resources and technical assistance, but they also have an important impact on the policies and programmes of member countries. The developing countries have been trying to secure a larger role in the conduct of the affairs of these organisations and also to modify some of their operational policies so that they can more readily respond to the needs of such countries. It is,

however, becoming increasingly clear that the international financial and monetary system as presently organised can make only a limited contribution in assisting the developing countries to meet their current balance of payments problems and long-term development objectives. The 50 per cent increase in IMF quotas under the Seventh General Review and the Supplementary Financing Facility, which belatedly came into force in February 1979 with SDR 7·9 billion to be provided by 11 countries and the Swiss National Bank, have strengthened the Fund's financial resources. These should enable it to provide increased financing to the developing countries. The Supplementary Facility is specifically intended for countries facing serious imbalances that are large in relation to their quotas. The Fund's resources and the financing it can provide to developing countries remain, however, out of line with the growth in world trade. Quotas, which were about 10 per cent of world imports in the early fifties and sixties, had fallen to about 4 per cent in 1978; the latest increase in quotas would raise this figure to only about 5 per cent. Member countries will have to continue to rely on private financial flows to a larger extent than in the 1960s and early 1970s.

15. Some progress is being made toward agreement on the enlargement of the capital resources of the World Bank. While it was previously estimated that the doubling of its capital would enable the Bank to continue to increase its lending in real terms at the modest rate of 5 per cent per annum, this rate of increase is now grossly inadequate in relation to the growth in requirements of development finance.

16. Central to the international dialogue on the industrial development of developing countries is progress toward the target set at Lima in 1975 by the Second General Conference of UNIDO, that by the year 2000 these countries' share of the world's industrial output should have risen to at least 25 per cent. Attaining this target will mean the adoption, by developed and developing countries alike, of policies designed to change the underlying basic structure of world industrial production and trade. Such policies were outlined in the Lima Declaration and Plan of Action on Industrial Development and Co-operation.

17. Since the last Heads of Government Meeting, global progress in implementing these policies has been both spasmodic and uneven; in almost all cases it has continued to be slow. In the fields of technology and transnational enterprises, some progress has been made but it has been patchy and agreement has still to be reached on several vital matters. In the institutional field, agreement has been reached that UNIDO should have the status of a UN Specialised Agency. UNIDO's Third General Conference, to be held in New Delhi during January-February 1980, will provide an opportunity for high-level consultations on international co-operation for the industrial development of developing countries. The conference will, *inter alia*, consider progress toward the implementation of the Lima Declaration, together with plans for industrial co-operation among developing countries, redeployment of industries and the creation of appropriate institutional arrangements in developing countries, as well as UNIDO's arrangements to meet these requirements. The UN Industrial Development Fund, set up to encourage the flow of investment funds for the industrialisation of developing countries, held its first pledging conference in October 1977 when 77 countries announced contributions totalling US$7·2 million. Although these rose to US$10·4 million in 1978 and US$15 million in 1979, the total is considerably below the US$50 million originally called for by UNIDO.

18. Five years after the UN General Assembly adopted the Programme of Action for the establishment of a new international economic order, a programme of international measures which could make a significant impact on the development problem is still to emerge. The meagre results of the recently concluded fifth session of UNCTAD constitute a further set-back for international economic co-operation; this makes it all the more necessary for greater attention to be given to the International Development Strategy for the third UN Development Decade.

19. The latest available forecasts for 1979, which do not reflect the full impact of the recent and continuing oil price rises, suggest that the industrialised countries as a group will experience a modest combined deficit of US$2 billion, although imbalances within the group will persist with some countries showing substantial surpluses and others substantial deficits. The balance of payments situation of the non-oil producing developing countries will however be much more serious. As already mentioned, their combined deficit at current prices is likely to rise to a record level of US$40 billion or more. This deterioration will occur despite the low growth rates in a large number of developing countries, particularly the poorer ones. While the situation varies from country to country, it seems that much of the increased deficit will be accounted for by the middle-income and relatively fast growing countries, as many of the poorer developing countries simply remain unable to finance the significantly larger imports required for their development. For them, the situation implies not merely stagnation but decline.

20. The current situation and experience since the beginning of the oil crisis have focussed attention on a number of distinct though inter-related facets of the balance of payments problem. First, while payments problems can be reversed relatively quickly with appropriate adjustments in policies and temporary external support, serious economic, social and political problems are inevitable if large deficits have to be reduced too rapidly. Second, some deficits are externally induced and structural in character as they reflect major surpluses elsewhere over which the deficit countries have limited or no control. Third, some externally induced deficits arise from factors which can be dealt with only in a longer-term context. For example, since energy conservation and development measures take a long time to implement, the escalation in the price of oil will continue to have serious implications for the balance of payments of oil importing countries. Fourth, payments problems, whether externally induced or not, often require structural changes in the domestic economy, particularly in the developing countries, which can be effected only in the medium-term. Fifth, developing countries also face what have been called " development-finance deficits " which simply reflect the fact that their own foreign exchange earnings and net long-term capitals flows are insufficient to support even a modest rate of investment and development.

21. Payments problems like these cannot be dealt with by limited and short-term balance of payments support. The importance of substantially increasing the transfer of real resources to the developing countries and of enhanced opportunities to increase their own foreign exchange earnings can hardly be over-stated. However, it is equally important to establish adequate balance of payments support facilities so that long-run growth prospects will not be adversely affected by the emergence of deficits over which developing countries have no control. Adjustment has had to be made and is continuing to be made at the expense of growth and development.

22. While private capital markets have a significant role in channelling financial resources from surplus to deficit countries, the role of official agencies, particularly the IMF, is specially important in this context. The financial support provided by the IMF to member countries has declined in recent years as a proportion of deficits, even though more recently a large number of countries have used its facilities. This has been partly due to the limited amount of resources at its disposal but also, and perhaps more important, to the difficulties experienced in adjusting its operational guidelines to take account of all the facets of the balance of payments problems mentioned above. As a result, member countries, particularly the developing countries, have tended to use the Fund's resources only when all other alternatives have been exhausted. This has often led to serious problems in obtaining the necessary finance or to problems resulting from finance being obtained from inappropriate sources.

23. While the assistance provided by the Fund has been small in relation to requirements, the conditions attached to the use of the Fund's resources have been of major import. There is no significant disagreement over conditionality in principle. However, there is a growing feeling among developing countries, that the provision of resources by the Fund is altogether too small to warrant the major changes usually imposed on their economic policies and objectives. Recently, in March 1979, the Executive Board adopted a new set of guidelines on conditionality and access to resources from the Fund which, besides introducing certain elements of operational flexibility, have asked the Fund " to pay due regard to the domestic, social and political objectives, the economic priorities, and the circumstances of members, including the causes of their balance of payments problems ". What effect these guidelines will have in practice in removing the factors which have hindered the use of the Fund's resources by its members remains to be seen.

24. Apart from ensuring that the new guidelines do not have a negative effect on the Fund's practices with regard to short-term balance of payments support, further modifications will need to be considered particularly in the Extended Fund Facility and the Compensatory Financing Facility in order to deal adequately with structural and medium-term balance of payments problems. Other arrangements, including programme financing, also require urgent attention with a view to improving the international financial system in relation to the various needs for balance of payments support.

Role of the Commonwealth

25. The Commonwealth today consists of one quarter of the people and countries in the world. What affects the world, therefore, must affect the Commonwealth; finding solutions to these problems is a natural concern of Commonwealth Governments. The problem of poverty and development is at the centre of this concern as 90 per cent of the people within the Commonwealth live in developing countries and 80 per cent of the world's absolute poor are in Commonwealth countries. At their Meeting in 1977, after commending the work of the Secretariat on the elements of a new international economic order, Heads of Government directed the Secretary-General " to continue these activities giving priority attention to food production and rural development, transfer of resources, industrial development, commodity arrangements, energy and international institutional reform " (paragraph 59, London Communiqué, June 1977). The Secretariat has endeavoured to fulfil this mandate to ensure that the Commonwealth contributes to advancing the cause of purposive and positive international co-operation. The work of the Technical Group on the Common Fund established by the last Heads of Government Meeting was one such step and the Ministerial Meeting held in London in April 1978 to consider the conclusions of this Group contributed to a convergence of views at the UNCTAD meeting. A parallel effort has been the investigation by the Team of Industrial Specialists on the prospects for increased industrial co-operation within the Commonwealth. A concrete programme of action has been drawn up to help the developing countries to improve their industrial prospects.

26. A further effort to bring the problems of small and weak economies to the forefront of international discussions was the conference convened in Western Samoa earlier this year to consider the problems of external finance for small states. The Secretariat has also been providing assistance to ACP countries in renegotiating the Lomé Convention on a mutually advantageous basis. The technical assistance activities of the Commonwealth Fund for Technical Co-operation which cover a wide spectrum of activities have now spread to almost all the member countries. Given the high priority for food production and rural development, the Secretariat has been paying increasing attention to this particular area. The Advisory Group, established after the last Heads of Government Meeting, has submitted its report. Some aspects of the report have already been implemented by the Secretariat while others are under active consideration by Governments.

27. These are some of the ways in which the Commonwealth has been trying to be of help to its members. The agenda for the future is to carry this work forward and to ensure that the Commonwealth continues to be a positive element in promoting international co-operation to the mutual advantage of all its members.

Conclusion

28. In any realistic assessment of the current world economic situation it has to be recognised that pre-occupation with domestic economic problems has reduced the responsiveness of the developed economies to the needs of development. While there is greater recognition of the realities of interdependence, there is a lower level of concern about other people's problems. While there is agreement that poverty must be eradicated, there is less willingness to undertake the financial, trade and adjustment measures whose benefits may be evident only in the longer run. Perhaps the main issue before the international community today is whether a longer and a broader vision that accommodates the national interests of all countries can take the place of narrow short-term perspectives. The solutions to the problems which plague the world are all inter-related and a viable solution to them may not be possible unless it can be ensured that the international economic system will work to the benefit of all.

29. In the context of the emergency that now threatens the world economy, the time is perhaps opportune for a serious search for international economic policies which would attack the urgent problems of world poverty and of recession simultaneously. Several proposals have recently emerged from eminent sources for programmes of sizeable increases of resource flows to developing countries which could at one and the same time finance major development in the South, provide a substantial stimulus out of recession and the underemployment of capacity and resources in the North, and assure supplies of raw materials, energy and food for global needs. The spirit and techniques that characterised the Marshall Plan in the immediate post-war period are summoned up in these proposals. They may well have relevance to the needs of the 1980s and practical value to North and South alike. The exploration of their feasibility could be a major service to the world community.

30. The experience of the last four years suggests that Commonwealth consultations—particularly at Heads of Government Meetings—can be a positive factor in consensus building on global economic issues. As the international negotiating process becomes even more complex and stylised, the value of that Commonwealth contribution increases; Heads of Government Meetings at Kingston in 1975 and again at London in 1977 made major contributions; Lusaka offers further opportunities in a situation of urgent global need for positive co-operation.

Commonwealth Secretariat
Marlborough House
London SW1
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COMMONWEALTH PROGRAMME ON INDUSTRIAL CO-OPERATION

Memorandum by the Commonwealth Secretary-General

I. INTRODUCTION

Commonwealth Heads of Government at their Meeting in Kingston in April–May 1975 endorsed the need for an expansion of co-operative action to promote industrial development in developing countries. The Lima Declaration and Plan of Action on Industrial Co-operation and Development had been adopted a month earlier, with the target of enlarging the developing countries' share of the world's industrial output from 7 per cent in 1974 to at least 25 per cent in the year 2000. Commonwealth Governments at subsequent meetings agreed that the time was ripe for new Commonwealth initiatives in this area, and recognised the urgent need to formulate a detailed programme of action.

2. Proposals by the Secretary-General to set up a Team of Industrial Specialists were endorsed by Commonwealth Senior Officials in Canberra in May 1976. Thereafter the Team was appointed by the Secretary-General under the Chairmanship of Mr. L. K. Jha of India with the following terms of reference:

> " to submit for the consideration of Commonwealth Governments, practical proposals for accelerating industrialisation and related activities in developing countries; such proposals should include improved bilateral and multilateral co-operation for industrial development between developed and developing countries, and among developing countries themselves, both within and outside the Commonwealth ".

At their London Meeting in June 1977, Heads of Government considered a Progress Report by the Team and requested that a Final Report be submitted for consideration by a meeting of Commonwealth Ministers. The Final Report* was forwarded to Governments in July 1978 and Ministers met in Bangalore in March 1979.

3. The Team identified several fields—entrepreneurship, training, technology, finance and marketing—in which international co-operation would be particularly beneficial. Their recommendations were global in character, calling for action by the international community. More specifically, however, the Team proposed a programme of co-operative action among Commonwealth countries. Three of the main components of the programme were the establishment of an Industrial Pre-Investment Unit under the CFTC, the creation of an Industrial Consultative Group and establishment of a Commonwealth venture capital company. The Pre-Investment Unit would carry out project identification and pre-feasibility studies, advise on appropriate technologies and industrial know-how, and provide guidance on sources of finance. The Consultative Group would assist in the mobilisation of relevant expertise to solve specific industrial problems and in the promotion of joint ventures, and would provide advice and assistance to other Commonwealth institutions in framing their activities in the field of industrial development. It was to comprise persons with knowledge and experience in industry who would meet periodically. The Commonwealth venture capital company would invest in selected industrial projects mainly to encourage the participation of other investors and would help to mobilise loan capital from the market and all other appropriate sources.

* *Co-operation for Accelerating Industrialisation*, Commonwealth Secretariat, 1978.

II. BANGALORE MINISTERIAL MEETING

4. At Bangalore, Ministers accepted the desirability of fostering industrial growth in Commonwealth developing countries by making greater use of the vast reservoir of complementary capabilities, appropriate institutions, experience and resources existing within the Commonwealth. They agreed that a Commonwealth Action Programme on Industrial Co-operation should be established and expressed their belief that a programme of practical measures could contribute to filling gaps in the existing network of international co-operation for industrial development. The programme envisaged would help to meet the need for collaborative action in a number of areas, including institutional improvement, man-power and entrepreneurial development, project identification and appraisal, selection of appropriate technologies, procurement of finance, development of small-scale industries, and import liberalisation.

5. Such a programme would need specific machinery for its implementation. Ministers felt that this machinery should be part of the Commonwealth Secretariat, which should play a more active and catalytic role than hitherto in furthering the interest and involvement of the Commonwealth in the industrialisation of its developing member countries. They also saw a need for the machinery to co-ordinate and make the best use of the offers of practical assistance in the industrial field which several countries had made during the Bangalore meeting.

6. The main elements of the Action Programme agreed to at Bangalore were the establishment within the Commonwealth Fund for Technical Co-operation of an Industrial Development Unit (IDU) (which would combine the functions of both the Pre-Investment Unit and the Consultative Group recommended by the Team of Industrial Specialists) and the possible creation of a " Commonwealth venture capital company ". Ministers agreed that requisite additional resources should be provided to ensure the effective implementation of the Action Programme on the lines of an initial three-year programme costing £5 million.

7. Ministers agreed to meet again within three years to review the Programme. In the meantime, they agreed that the Secretary-General might, if he considered it appropriate, convene meetings of *ad hoc* groups of experts to advise on its operation.

8. Ministers also agreed that the Secretariat should promote, supplement and link bilateral and multilateral programmes of co-operation in the industrial sector. They further agreed that it should initiate the collection and analysis of information on technologies, expertise, training facilities and other capabilities offered by Commonwealth countries for communication to other member countries. Finally, they expressed concern over protectionism, and recognised the need both for a reduction of barriers against exports of manufactured and agricultural goods in which developing countries have a comparative advantage and for measures conducive to international investment.

9. Ministers recognised that the execution of the above measures would not exhaust the list of useful recommendations at the international level proposed by the Team of Industrial Specialists and asked the Secretary-General to refer them to appropriate Commonwealth and international gatherings.

10. Ministers asked the Secretary-General to report their conclusions and agreements to Heads of Government for endorsement and, in doing so, " to set out the modalities of the IDU, including a definition of its functions, proposed staffing and financial structure ".* This paper outlines the results of the Bangalore Meeting and provides the additional details desired by Ministers concerning the IDU. A full account of the decisions reached by Ministers at Bangalore is contained in their Communiqué of 7 March, 1979 which is at Annex 1.

* Bangalore Communiqué, paragraph 15.

III. THE ACTION PROGRAMME AFTER BANGALORE

11. As agreed by Ministers, the process of gathering basic information on technologies, expertise, training facilities and other capabilities available within the Commonwealth has been launched. The Secretary-General has also proceeded with the task of identifying experts for the Working Group which is to examine the need for and all relevant issues related to a " Commonwealth venture capital company ". The Group's mandate will include a study of alternative arrangements to meet the need for a critical minimum of equity capital for industrial enterprises in developing member countries, including the type of institution required, its size, structure, source of finance, method of operation, and management. It is expected that a planning meeting of the Group will take place before the end of 1979, followed by two meetings early in 1980 and presentation of the Group's report later in that year.

IV. THE INDUSTRIAL DEVELOPMENT UNIT

12. The role and main functions of the IDU outlined below are based on the discussions, conclusions and agreements of Ministers in Bangalore. Detailed functions are given in Annex 2.

(a) Role and main functions of the IDU

13. The IDU's activities will be undertaken at the request of governments of developing countries. The underlying ethos of the Unit's operations will be to help these countries to strengthen their indigenous industrial capabilities and thus to increase their self-reliance.

14. The IDU will aim to fill current gaps in industrial assistance. The Secretariat will continue to strengthen its relationships with other international bodies so that harmonisation with their activities in the industrial field is facilitated and duplication avoided. The IDU will thus strengthen international industrial co-operation and assist developing member countries' efforts to industrialise.

15. In its work the IDU will give priority to those industrial projects and programmes which will most accelerate national economic development, taking into account such factors as employment generation, the processing of indigenous raw materials, rural development, foreign exchange savings/earnings, and the more rational location of industries.

16. The main functions of the Unit will thus be:

(i) To be the main executing agency of the Commonwealth Action Programme on Industrial Co-operation and to have a co-ordinating role with respect to activities in the Programme which have been assigned to other Divisions of the Secretariat.

(ii) To undertake technical assistance and advisory activities which will assist in accelerating the industrialisation of Commonwealth developing countries, paying particular attention to small and medium sized projects and to the needs of the least developed and other specially disadvantaged countries.

(iii) To undertake such functions as may be assigned through periodic reviews of the activities of the Programme by Ministers responsible for industrial co-operation and, in the interim, through the decisions of the Board of Representatives and Committee of Management of the CFTC.

17. In order to discharge these functions the IDU will:

(1) Compile and maintain a comprehensive survey of existing sources of institutional assistance, of technology and of finance, etc., available to

Commonwealth developing countries, in order to facilitate the application of those sources to the solution of specific problems encountered by these countries in their industrialisation efforts.

(2) Promote the establishment of new industrial projects by endeavours to:

(i) support the improvement of infrastructure directly concerned with the encouragement of industrial development, such as the establishment and strengthening of industry promotion agencies, industrial R & D institutions, industrial extension services, and management and technical training facilities;

(ii) assist in carrying out pre-investment studies, including general surveys of industrial potential and project identification and pre-feasibility/feasibility studies, in order to ensure that properly conceived and prepared industrial projects are presented for financing and implementation;

(iii) encourage entrepreneurial development;

(iv) help entrepreneurs to find and attract partners in other countries. Special attention will be paid to enterprises in the more advanced of the developing countries and to the medium sized and small enterprises of the developed countries, which may have more appropriate technology to offer;

(v) assist in locating sources of appropriate technology, sources of finance, and consultancy services for specific projects; and

(vi) foster programmes for the development of small-scale enterprises and related infrastructural support measures.

(3) Assist in improving the performance of industrial enterprises in developing member countries by promoting the rehabilitation of ailing industries, by supporting the development of the industrial infrastructural facilities listed under (2)(i) above, by providing direct advisory assistance, and by promoting a better climate for the smooth running of collaborative arrangements.

(b) Organisation and management of the IDU

18. The IDU will be established as a unit within the CFTC and under the CFTC Board of Representatives and Committee of Management. The CFTC management may be advised from time to time on specific problems or broader issues by *ad hoc* groups of experts which Ministers in Bangalore agreed could be constituted by the Secretary-General.

19. As far as possible, the IDU will make use of existing resources in other Divisions of the Secretariat and will co-ordinate responsibility in respect of functions under the Action Programme for which these Divisions have executive responsibility. Its training programmes, for example, will be executed by the Education and Training Division and the services for identifying and developing exports will be provided by the Export Market Development Division.

20. Requests or proposals made to the Unit would be routed through identified focal points in each government. It was agreed at Bangalore that communications should be through the ministries concerned with the country's industrial co-operation programme.

(c) Staffing of the IDU

21. Ministers in Bangalore expressed reservations about the extensive use of consultants because many had experienced poor performance by some consultants. In view of this, it was felt that the Unit, while remaining modest, should have a strong and varied in-house capability and that the structure of the establishment should ensure substantial use of high-level personnel.

22. The staff structure of the Unit will have to be flexible, and take account of the Unit's priorities and of the evolving level and nature of demand for its services. At this stage it is only possible to give an indication of the areas of professional competence and of the possible numbers of staff which will be required in the Unit during its first three years.

23. The functions of the Unit suggest that the areas of competence for the professional staff will be as follows:

(i) planning and implementation of industrial projects;
(ii) promotion and development of small-scale enterprises;
(iii) industrial manpower development (including management and technical training);
(iv) marketing of industrial products;
(v) investment banking;
(vi) industrial accounting;
(vii) production engineering;
(viii) industrial economics;
(ix) industrial technology; and
(x) agro-industry.

24. Subject to the qualifications expressed in paragraph 22 above, it is proposed to work towards an establishment as follows: in the first year of operations, five professionals and three supporting staff; in the second year, eight professionals and six supporting staff; and in the third year, eleven professionals and nine supporting staff. Details of the possible grades of staff required are given in Annex 3, Table I, but it should be emphasised that the staff structure needed is that which will produce an operationally effective functional team.

25. The financial implications of such a staff structure, together with those of providing temporary job-specific specialist attachments, hiring consultants and incurring other costs, are given in Annex 3, Table II, which indicates a possible pattern of expenditure over the first three years of the Unit's operations.

(d) Financing of the IDU

26. In relation to the financing of the Unit, Ministers agreed that "the requisite additional resources should be provided to ensure its effective implementation on the lines of an initial three year programme costing £5 million".* Ministers noted that the Team of Industrial Specialists had recommended a minimum fund of £5 million and many thought that such a programme was too small. However, it was agreed that it would be sensible to start in a modest, careful way, but with provision for a progressive build-up of the programme during the initial period.

27. The precise phasing of the work will depend on the level and nature of demand for assistance from the Unit, but an indication of a possible build-up in the budget is given in Annex 3, Table II. This proposes a total plan of expenditure of £600,000 for the first year, £1·4 million for the second, and £3 million for the third. Such a phasing should allow assistance under the programme to rise to a significant level while keeping within the financial constraints agreed by Ministers at Bangalore.

28. Ministers unanimously agreed that the arrangements should ensure additionality and non-diversion of resources earmarked for the Action Programme.

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* Bangalore Communiqué, paragraph 9.

ANNEX 1 to
HGM (79) 12

COMMONWEALTH MINISTERIAL MEETING ON INDUSTRIAL CO-OPERATION, BANGALORE, INDIA, 5–7 MARCH, 1979
COMMUNIQUÉ

1. The first Commonwealth Ministerial Meeting on Industrial Co-operation was held in Bangalore, India, from 5 to 7 March, 1979. The Meeting was held pursuant to the decision by Heads of Government in June 1977 that Ministers should consider the Final Report of the Commonwealth Team of Industrial Specialists which had been asked to identify a programme of Commonwealth action with particular reference to meeting the needs of the developing countries for accelerated industrialisation. The proceedings were opened by the Prime Minister of India, Shri Morarji Desai, and the Meeting was chaired by Shri George Fernandes, the Minister of Industry of the Government of India.

2. Ministers commended the Team on producing a valuable set of practical proposals. In considering the recommendations contained in the Report, Ministers took into account the special problems which less industrialised countries faced in their efforts to industrialise, and the gaps and areas of weakness in the existing network of external co-operation in the field of industrial development found by all Commonwealth countries. They stressed the need for collaborative action in a number of areas, including project identification and appraisal, manpower and entrepreneurial development, industrial infrastructure, national institutional arrangements, selection of appropriate technologies, the procurement of finance and access to markets. This would assist developing countries in the common effort to attain the internationally endorsed target of 25 per cent of world industrial output by the year 2000.

3. Ministers noted that there are within the Commonwealth a large number of appropriate institutions and a vast reservoir of complementary capabilities with the capacity and willingness to assist member countries. They emphasised the need to mobilise and make greater use of these. They noted this would yield benefits to donors and recipients alike and to the international community.

Commonwealth Action Programme on Industrial Co-operation

4. Ministers agreed to put forward to Heads of Government a framework for a Commonwealth Action Programme on Industrial Co-operation. Such a programme would further intra-Commonwealth co-operation, co-operation between Commonwealth countries and appropriate international and regional agencies, and contribute to the more rapid industrialisation of less developed Commonwealth members.

Establishment of an Industrial Development Unit

5. Ministers agreed that an Industrial Development Unit should be established within the Commonwealth Fund for Technical Co-operation. The Unit would mobilise capabilities to help solve specific industrial problems in Commonwealth countries and provide continuing assistance to Commonwealth developing countries in their industrialisation efforts. This would include pre-investment services. The Unit in consultation with the Secretariat should also develop arrangements to expand the training opportunities available to Commonwealth developing countries in the promotion, establishment, management and operation of industrial enterprises and generally to assist these countries in improving the effectiveness of their industrial promotion and extension services.

Promoting entrepreneurship

6. Ministers agreed that the Commonwealth Secretariat should initiate an appropriate programme to enable small-scale entrepreneurs from Commonwealth developing countries to undertake "exposure" visits to other developing and developed members in order to learn from experience and to improve their entrepreneurial skills.

Maximising value of existing programmes

7. Ministers agreed that the Commonwealth Secretariat should play a more active catalytic role in industrial development by promoting, supplementing and linking bilateral and multilateral programmes of co-operation in the industrial sector and thus assist developing member countries to make the best use of them.

Commonwealth venture capital company

8. Ministers discussed the proposal in the Report of the Team of Industrial Specialists on the establishment of a Commonwealth venture capital company. They requested the Secretary-General to convene a Working Group to examine the possible need for and all relevant issues related to the establishment of such a company with a view to facilitating a decision at the earliest possible date. The Working Group would also examine possible alternative arrangements to meet the need for a critical minimum equity capital for industrial enterprises in developing member countries, including the type of institution required, its size, structure, source of finance, method of operation, and management.

9. Ministers agreed that the Commonwealth Secretariat, the Commonwealth Fund for Technical Co-operation (CFTC), and the Industrial Development Unit should be used to give effect to the Action Programme outlined above. The Industrial Development Unit would be placed within the CFTC and would be subject to the control of the CFTC's Board of Representatives and Committee of Management. They agreed that the requisite additional resources should be provided to ensure its effective implementation on the lines of an initial three-year programme costing £5 million. They recognised that in relation to need the programme is a modest one, but anticipated that the resources available for the programme would be effectively enlarged through associated bilateral arrangements that individual member countries would make.

Offers of assistance

10. Ministers warmly welcomed the practical assistance offered by the Government of India in making available through the Secretary-General to other developing Commonwealth countries:

(i) technologies developed within India for small or cottage industries, and for more sophisticated plants, at nominal or no cost;

(ii) places at various levels in Indian universities, technical institutions and other training establishments;

(iii) the services of Indian R & D institutions for the development of new and appropriate technologies and for R & D extension services;

(iv) the services of the Indian Industry Promotion and Development Agencies to enhance the capabilities of counterpart organisations in other Commonwealth developing countries.

Some other Ministers made similar offers of practical assistance. Ministers also agreed that, with the establishment of the Industrial Development Unit, the Commonwealth Secretariat should initiate the collection and analysis of information on technologies, expertise, training facilites and other capabilities offered by Commonwealth countries for communication to other member countries of relevance to their industrialisation programmes.

International action

11. Ministers emphasised the critical importance of a favourable international environment for the acceleration of industrial development in the developing countries. They reiterated the concern expressed by the Commonwealth Finance Ministers Meeting last September in Montreal on the rising trend in protectionism and its dangers for the world economy. They particularly recognised the need for a reduction of barriers against exports of manufactured and agricultural goods in which developing countries have a comparative advantage and for the adoption of measures conducive to international investment. They also recognised that industrialisation in all countries would be enhanced by a free flow in both industrialised goods and agricultural commodities. Regretting the limited progress being made in resolving these matters in world forums they expressed the hope that the Action Programme would contribute to creating a more positive climate for development.

12. Ministers recognised that the transfer of technology at reasonable cost and the redeployment of industries are important measures for the acceleration of industrialisation of developing countries.

13. Ministers noted that the Team had made a number of other recommendations which called for action at the international level. They requested the Secretary-General to submit them for consideration by appropriate Commonwealth and international meetings.

Future meetings

14. Ministers acknowledged that the present Meeting had proved valuable, not only in setting in motion a Commonwealth Action Programme on Industrial Co-operation, but also in enabling Ministers to exchange views on their industrial experience and on the potential for promoting joint ventures and other collaborative action. They agreed to meet within three years to undertake a review of the Action Programme. They agreed further that the Secretary-General, if he considered it appropriate, could convene meetings of *ad hoc* groups of experts to advise on the operation of the Programme.

Report to Heads of Government

15. Ministers asked the Secretary-General, in reporting the foregoing conclusions and agreements to Heads of Government for endorsement in Lusaka in August, to set out the modalities of the Industrial Development Unit including a definition of its functions, proposed staffing and financial structure.

Appreciation

16. Ministers expressed their warm appreciation for the excellent facilities provided for the Meeting by the Government and people of India, for the hospitality they had enjoyed during their stay in Bangalore, and for the opportunity given them to see at first-hand some of India's dynamic industrial developments.

ANNEX 2 to
HGM (79) 12

DETAILED FUNCTIONS OF THE INDUSTRIAL DEVELOPMENT UNIT

1. The following paragraphs list the detailed functions which the IDU will be empowered to undertake. This list is comprehensive and wide-ranging but it does not imply that the Unit will necessarily have the requisite resources to undertake all of the designated functions simultaneously. It will need to have a selective approach in terms of the national priorities set by requesting governments.

(i) Information summary of available facilities

2. A priority task of the Unit will be to assemble information on other sources of institutional support in finance, in technology etc. which will facilitate contacts with these organisations and co-ordination with them in order to avoid duplication. An initial task, therefore, will be to examine how the facilities available internationally can best be applied to assist developing member countries to accelerate their industrialisation.

(ii) Industry promotion agencies

3. Accelerating the industrial growth of Commonwealth developing countries will be facilitated by well organised and capable industry promotion agencies. The IDU will assist in strengthening the capabilities of these agencies by developing programmes of bilateral co-operation between them. Such programmes will focus on:

(*a*) the provisions of " on-the-job " training through the secondment of experts and the induction of trainees;

(*b*) the exchange of industrial information;

(*c*) periodic exchange visits between agency staff; and

(*d*) the secondment of personnel for work on a reciprocal basis.

(iii) Industrial extension services

4. Industrial extension services on the lines of agricultural extension services are recognised as being increasingly necessary if industrial growth in the developing countries is to be accelerated. These services undertake activities such as identifying and resolving manufacturing problems, identifying new areas for the adaption and development of appropriate technologies, and familiarising enterprises with technical developments. The IDU will assist in the establishment and strengthening of industrial extension services through the provision of advice and through the promotion of bilateral co-operation and " twinning " arrangements.

(iv) Manpower development and training

5. Developing countries are short of manpower trained in skills needed to accelerate the growth of industry. Ministers at Bangalore emphasised the need for expanding Commonwealth industrial training programmes and broadening them to include management and technical training. One of the main functions of the IDU will be to identify deficiencies in manpower resources and to arrange for meeting them, particularly through " on-the-job " training (" learning by doing ") for artisans and supervisory staff. There is also a need to encourage the establishment and development of local institutions and to train the trainers.

6. A Working Group set up at the recommendation of the Seventh Commonwealth Education Conference in 1977 to consider the feasibility and modus operandi of a Commonwealth Industrial Training and Experience Programme (CITEP) reported favourably on the need for such a programme in early 1978.

The programme recommended was broadly based and provided for job-specific in-plant training and experience for a wide range of skills, including the training of instructors and training officers and supervisory and managerial personnel.

7. To avoid possible duplication, these forms of training were not specifically included in the Programme recommended by the Team of Industrial Specialists, and no financial provision for them was included in the £5 million fund recommended for it. In implementing the agreement at Bangalore, it is proposed that the industrial management and technical training recommended for the Action Programme be performed by the Education and Training Division of the CFTC, but that the IDU will assist in determining the priorities.

(v) Project identification and pre-feasibility and feasibility studies

8. The IDU will, on request, assist in the initiation of project identification and pre-feasibility/feasibility studies. It will be so constituted as to be able to undertake some of these studies in-house, but depending on the nature and volume of work, use will also be made of temporary, job-specific attachments of individual experts and of consultancy organisations.

(vi) Entrepreneurial development

9. Ministers accepted the need for a programme of "exposure" visits to enable small-scale entrepreneurs from developing countries to learn from the experience of entrepreneurs in other developing countries, so as to stimulate entrepreneurship in those countries in which it is deficient. Candidates for such visits and the enterprises visited would have to be carefully selected and the visits themselves would need to be carefully programmed. The IDU will arrange for the selection of candidates and programming of visits in consultation with the countries concerned. It will finance the foreign exchange costs of the programme but host countries (the countries visited) will be encouraged to meet the costs incurred within their countries.

(vii) Promotion of joint ventures

10. The Unit will have a promotional and catalytic role in the establishment of joint ventures and other collaborative arrangements. It will maintain a data bank on possible partners and, on request, help to identify complementary resources for industrial projects, establish contacts between prospective partners, and bring the parties together.

11. A number of joint ventures and other forms of collaboration have been set up in Commonwealth developing countries, which can thus gain from each other's experience on the terms and conditions negotiated. The IDU will assist in exchanges of views and experiences which industry promotion agencies have had in this area; it may also offer advice and guidance in particular cases.

(viii) Investment promotion

12. Finding partners for joint ventures is one aspect of investment promotion. The Unit will also carry out more general functions in this area by providing assistance for investment promotion seminars and missions at the request of developing member countries.

(ix) Advice on technological transfer, adaptation and development

13. The IDU will provide evaluations of technologies and industrial know-how and advise on their selection for particular purposes. In so doing, it will supplement and support local efforts to improve technological assessment in Commonwealth developing countries and assist them in the establishment and improvement of the requisite facilities. It will also provide, on request, assistance in the negotiation of technology licensing and other agreements.

(x) Guidance on sources of finance and mobilisation of funds

14. Developing countries, short of capital themselves, often have difficulties in identifying suitable sources of finance and in mobilising funds for industrial enterprises. As industrialisation gathers momentum these difficulties could prove a serious bottleneck. Although the final choice must always rest with the client, the IDU, as part of its work on project appraisal, will be able to assist in identifying potential sources of finance for specific projects. For this it will need to collect and update information on such matters as the operating practices of different banks and other financial institutions.

(xi) Industrial consultancy

15. The IDU will assist Commonwealth developing countries in establishing and/or strengthening indigenous consultancy firms. These provide a wide range of industrial services, such as design, engineering, management, etc., and whether government or privately owned, they play an important part in industrial development. The Unit will compile information on these firms and make it available to developing member countries on request.

(xii) Small-scale enterprises

16. The small size of effective demand in most Commonwealth developing countries calls for special techniques of production by small-scale enterprises. The distinctive nature of the problems encountered by these enterprises has led some developing countries to establish special institutions and other mechanisms to help them. To assist developing member countries in this sphere, the IDU will promote bilateral co-operation between them in order to:

(i) establish and strengthen the appropriate institutional framework for supporting small-scale enterprises;

(ii) foster joint ventures between small-scale enterprises; and

(iii) promote the development of industrial technologies appropriate to small-scale operations.

(xiii) Market information and export development

17. Adequate market information is necessary not only at the pre-feasibility and feasibility stages of industrial projects but also when industries desire to expand or diversify their output. Although domestic markets are important, their small size in most developing countries means that industries in these countries must depend to a substantial degree on export markets if they are to be viable. The development of external markets is an important area involving many skills which require careful attention. The Export Market Development Division of the Commonwealth Secretariat will assist the IDU in this function.

(xiv) Solving industrial problems

18. In the early stages of development, industries may require a range of assistance in the operation of plant and machinery, the flow of materials, etc. The situation may require individual or groups of experts to be sent at relatively short notice to provide technical services; or it may be necessary to arrange for technicians and managers in the industries affected to be sent abroad to solve their problems by learning from the experience of more successful and longer established plants. The IDU will provide such assistance, either through in-house capability or, where necessary, by drawing on other relevant experience in the Commonwealth.

19. In providing assistance of this type it is essential not only actively to involve local counterparts but also to impart some degree of training operationally to them during the course of each assignment. The need to ensure flexibility in the Unit's operations, and to ensure the ability to call on every type of expertise, will make it necessary for a proportion of its funds to be used to pay for the engagement of local personnel.

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19. In providing assistance of this type it is essential not only actively to involve local counterparts but also to impart some degree of training operationally to them during the course of each assignment. The need to ensure flexibility in the Unit's operations, and to ensure the ability to call on every type of expertise, will make it necessary for a proportion of its funds to be used to pay for the engagement of local personnel.

20. The IDU will also act as a bridge to try to arrange visits of plant technicians and managers from ailing units to those which may be able to provide a solution to their problems. More complex problems could be referred to R & D institutions for advice and assistance. The IDU will try to establish co-operative arrangements between these institutions (including universities) so that Commonwealth countries can learn from the experience and research of each other. Such arrangements may be most useful on a bilateral basis and may need to incorporate the concept of "twinning". In some cases co-operation may be more useful regionally but in others it may be necessary to undertake it on an inter-regional basis.

(xv) Sharing industrial experience

21. The Unit will facilitate through seminars and by other means the dissemination of information on industrial policies and performances and will promote the exchange of experience between member countries, especially between those at different stages of industrialisation.

INDUSTRIAL DEVELOPMENT UNIT

Table I

PROPOSED STAFF GRADES AND NUMBERS AT YEAR-END

	1st Year	*2nd Year*	*3rd Year*
Director and Head, Industrial Development Unit	1	1	1
Directors	2	2	3
Assistant Directors	—	1	2
Chief Project Officers	1	2	2
Project Officers	1	2	3
Sub-total, professional staff	5	8	11
Clerical Officers	1	3	4
Secretaries	2	3	5
Sub-total, supporting staff	3	6	9
Total	8	14	20

Note: The designations of professional staff listed above are according to the standard nomenclatures used in the Secretariat to determine levels of remuneration. The different grades are intended only to indicate different levels of experience, expertise, etc., in undertaking the specialist functions assigned.

INDUSTRIAL DEVELOPMENT UNIT

Table II

AN INDICATIVE PATTERN OF EXPENDITURE

(£'000)

	Year I	Year II*	Year III*	Cumulative
(A) Administrative costs				
(i) Equipment and furniture:				
Director and Head, Directors, Assistant Directors and Secretaries	5·0 (5)	1·2 (1)	5·2 (4)	11·4
Other staff	1·5 (3)	2·9 (5)	1·3 (2)	5·7
(ii) Other costs†	43·5	105·9	183·5	332·9
Total (A)	50·0	110·0	190·0	350·0
(B) Programme costs				
(i) Salaries and allowances:				
Director and Head	26·8 (1)	30·8 (1)	35·4 (1)	93·0
Directors	53·6 (2)	61·6 (2)	106·2 (3)	221·4
Assistant Directors	—	26·2 (1)	60·2 (2)	86·4
Chief Project Officers	10·3 (1)	23·6 (2)	27·2 (2)	61·1
Project Officers	7·4 (1)	17·0 (2)	29·4 (3)	53·8
Clerical Officers	4·8 (1)	16·5 (3)	25·2 (4)	46·5
Secretaries—Grade I	11·0 (2)	12·6 (2)	21·6 (3)	45·2
—Grade II	—	5·5 (1)	12·6 (2)	18·1
Sub-total	113·9	193·8	317·8	625·5
(ii) Installation and passage:				
Director and Head	8·0 (1)	—	—	8·0
Directors	16·0 (2)	—	10·6 (1)	26·6
Assistant Directors	—	9·2 (1)	10·6 (1)	19·8
Sub-total	24·0	9·2	21·2	54·4

Table II (contd.)

	Year I	Year II*	Year III*	Cumulative
(iii) Staff travel on duty:				
Director and Head	12·5 (1)	14·4 (1)	16·6 (1)	43·5
Directors	18·8 (2)	22·8 (2)	39·3 (3)	80·9
Assistant Directors	—	11·4 (1)	13·1 (2)	24·5
Chief Project Officers	6·6 (1)	15·2 (2)	17·4 (2)	39·2
Project Officers	3·3 (1)	7·6 (2)	13·2 (3)	24·1
Secretary—Grade I	3·3 (1)	3·8 (1)	4·4 (1)	11·5
Sub-total	44·5	75·2	104·0	223·7
(iv) Reports, temporary job-specific specialist assignments, assigned work, and consultancies, etc.	257·6	711·8	1,767·0	2,736·4
(v) Other costs:				
Participants' travel and subsistence in exposure visits scheme, industry promotion agency co-operation, industrial extension services co-operation	100·0	250·0	500·0	850·0
Other (*e.g.* meeting local costs)	10·0	50·0	100·0	160·0
Sub-total	110·0	300·0	600·0	1,010·0
Total (B)	550·0	1,290·0	2,810·0	4,650·0
GRAND TOTAL (A) AND (B)	600·0	1,400·0	3,000·0	5,000·0

* Data for salaries and allowances, installation and passage, and staff travel on duty have been increased by 15 per cent in Year II and by another 15 per cent in Year III to allow for inflation.
† Office supplies, communications and contribution towards office accommodation.
( ) Indicates number of staff.

THE COMMONWEALTH FUND FOR TECHNICAL CO-OPERATION: THE CASE FOR GROWTH

MEMORANDUM BY THE COMMONWEALTH SECRETARY-GENERAL

The Commonwealth Fund for Technical Co-operation (CFTC) was established by Heads of Government in 1971 at the same Meeting which approved the Declaration of Commonwealth Principles. Members, dedicating themselves to use their efforts to overcome poverty, ignorance and disease, to raise standards of life and to achieve a more equitable international society, affirmed that the Commonwealth was one of the most fruitful associations for international co-operation in development and could provide a constructive example of the multinational approach.

2. The CFTC was seen by its founders as a new essay in international relations. Concern to establish a truly multilateral mechanism for enlisting the most appropriate expertise in meeting development needs of member countries lay behind this initiative; the diversity of experiences and resources within the Commonwealth made it possible. The Fund does not seek to compete with, but rather to complement the work of, the larger bilateral and multilateral agencies. In looking for gaps to fill, it seeks to break new ground and foster new initiatives. This is the strategic objective which has guided the development of the Fund. An account of its recent work is contained in my report to Heads of Government, as well as in the booklet *Commonwealth Skills for Commonwealth Needs*. A short film *Making Ends Meet* will be presented during the Lusaka Meeting.

3. The relationship of aid to development has, over the past twenty or thirty years proved elusive. The good intentions of many multilateral programmes have tended to be blunted by the exigencies of international bureaucracy. The CFTC operates as a mutual and voluntary mechanism. Because all members contribute to its resources and participate in its management, the sharp cleavage between donor and recipient which hampers many development programmes is avoided. Technical co-operation among developing countries figures largely, not only in its training programmes, but also in the technical assistance which it offers. Avoiding slow or bureaucratic procedures, the Fund aims to combine quick responsiveness with a capacity to innovate.

4. Time saved in processing requests also saves money. An application for technical assistance, or for a training award, is dealt with by the authorising body within the month in which it is received—often within the week. The Fund's administrative overheads have for several years run at about 10 per cent while other multilateral organisations operate at around 30 per cent. Moreover, the CFTC's average costs per man-month of technical assistance are approximately half the costs of other multilateral agencies. The overall result in operational terms is even more telling: for each $100,000, the CFTC can put an expert in the field for 45 months compared with 17½ months for other agencies; CFTC funds go three times further towards meeting development needs.

5. Governments' confidence in the integrity and competence of the Fund derives from the intimacy of the Commonwealth association itself and is demonstrated by the readiness with which they come to the CFTC for assistance in highly important and sensitive matters.

Programme organisation

6. The Fund's activities embrace three main programmes and one important service to members. By far the largest, the *General Technical Assistance Programme* is the most visible aspect of the CFTC's activities. There are at any one

time about 350 people, paid for by the CFTC, working in priority areas in countries other than their own. These people are spread through 46 countries in the Commonwealth. The range of occupation is vast—engineers, master fishermen, doctors, handicraft designers, legal draftsmen, managers, university professors, economists, geologists, teachers, architects, shipwrights, are just a few of the skills the Fund makes available to meet development needs.

7. The CFTC's *Education and Training Programme* supports the training of over 2,000 Commonwealth citizens a year in programmes hosted by 35 countries. They come from most of the developing countries of the Commonwealth. As far as possible people are trained within their own regions, thus keeping down costs as well as ensuring the relevance of training conditions to work conditions. This programme not only enriches the human resources of member countries and strengthens regional ties in the process, but also helps to spread knowledge between different regions of the Commonwealth. Remarkably, in all the years it has been operating, there has not been a single case where a trainee failed to return to his home country on completion of his training.

8. The most sharply focused activity funded by the CFTC is the *Export Market Development Programme* which provides assistance for the development of export markets including advice in packaging, product development, costing, insurance and credit and has taken a particular interest in fostering intra-regional trade. For those developing countries whose priority needs include export opportunities for their growing manufactures it has worked out an innovative approach to new market access in developed countries—the " Buyer-Seller " meet which is now attracting considerable international attention. One such meet recently organised for Sri Lanka in New York has brought in new export orders to the value of US$3·9 million confirmed, with another US$3·1 million potential. Already the demands for assistance in this field exceed the Division's financial and staff capacity.

9. The CFTC has developed, in response to a perceived need, a specialised in-house consultancy capacity which can respond quickly and effectively to requests for assistance. The closely knit team approach of the *Technical Assistance Group*, offering economic, fiscal, legal and statistical skills has proved particularly helpful on resource development especially in the mineral sector, on constitutional advice and drafting, and in the construction of national accounts. The team has earned a reputation for discretion and despatch and is greatly in demand. There is no comparable service in the international aid world.

The future

10. The CFTC's capacity to provide a cutting edge in the reform of international aid organisation and content is reflected in the growing interest its activities have aroused in other agencies. It is innovative, it is cost-effective, it has a capacity for self-renewal. What can it offer in the future?

11. This is a case where the means determine the ends. There can be no question of uncontrolled growth; but there is equally no question that the Fund's potential as an executive arm of the Commonwealth in contributing towards achieving the common objective of a more equitable international society, has not yet been fully realised.

12. In the course of this Meeting, proposals will be made to Heads of Government for the establishment of a Commonwealth Programme for Industrial Development. This would depend on additional funds, but would rely on the CFTC for its organisational infrastructure. In this important area the Commonwealth will be tracing new paths which may some day become highways.

13. The Law of the Sea Conference and the 200 mile exclusive economic zones create exciting new prospects for many of the smaller and poorer states; it also creates new collective responsibilities for the Commonwealth. The complexities of the EEZ concept and the practical problems of the smaller countries

protecting their economic rights and the maximisation of their returns can be satisfactorily dealt with only on a collaborative basis. Already the Secretariat is moving toward the establishment of a programme of assistance to island states in the management of EEZ fishing rights. This could be the beginning of a major shift in their economic fortunes.

14. In addition to the attention which the Fund has always given to helping the smaller states of the Commonwealth to identify and meet their needs over a wide range of activities, the Secretariat has taken an initiative to bring into sharper international focus the general problems faced by such states. Bilaterally, as well as through the CFTC, the Commonwealth is well placed to reduce the risks and vulnerability which these states experience.

15. The history of regional co-operation has few outright successes; but the search for functionally effective regional arrangements goes on. The value of such co-operation has been recognised by Commonwealth Governments and the Fund is actively encouraging and supporting regional institutions and activities in Africa, Asia, the Pacific and the Caribbean as well as helping each region to exchange views and experience with the others. In these programmes, the Fund reflects the Commonwealth's outward-looking approach and helps regional institutions serving the needs of both Commonwealth and non-Commonwealth members. Given the means, there are ample opportunities for continued and expanded programmes with a regional content.

16. There is no evidence that the overall need for technical assistance will decline in the intermediate term. Some needs, of course, will disappear. But with the increasing complexity of international economic relations affecting even the smallest of our members, the need for specialised advice and assistance is likely to increase. The CFTC's special qualities equip it particularly well to meet such changing needs and the Fund will have to grow if it is to continue to meet this expanding demand.

Real resources

17. The Fund was established in 1971. In its first four years it expanded extremely rapidly, but from a very low base. By 1975, however, the rate of growth had slowed down, and by 1978 growth—in terms of real purchasing power—had stopped. This situation, if not corrected, must mean that under the weight of existing commitments, the CFTC's capacity to innovate and to respond to new situations would be seriously impaired. In a stagnant condition, the Fund could quickly become routine and repetitive. The real value of this most tangible expression of the Commonwealth relationship would be diminished for all of us.

18. I do not believe that is what Heads of Government wish. Indeed, I am confident that Heads of Government, consistent with the value which they attach to the Commonwealth relationship, would wish the Fund to enhance the level of its capacity to respond to their needs and directions. If this is so, it is appropriate for this Meeting to consider mechanisms which will ensure that the Fund is enabled to resume its growth in real terms within agreed limits, while taking account of other demands on member states' resources.

19. In 1977–78 the contributions of developed country members, while amounting in aggregate to 84 per cent of total pledges, represented only 0·6 per cent of their combined gross official development assistance (ODA). This is not a very substantial commitment relative to the whole. I therefore seek from Heads of Government agreement in principle to move over the next three years to a position where contributions to the CFTC reach a significantly higher percentage of gross ODA. By thus re-allocating resources even within the existing level of their assistance budgets, Commonwealth programmes of proven worth would receive the encouragement which they deserve on the strength of their past record.

20. There are, of course, limits to the extent to which the Fund should be allowed to grow if it is to maintain its intimacy and lack of bureaucratic formality.

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But such limits are nowhere yet in sight. Reviewing our operational needs over the next few years, I suggest that, our aim should be to enable the Fund, within its present mandate, to grow to a value of £25 million at 1979 prices. A fund of that size would acquire additional advantages of scale without losing the undoubted advantages of flexibility and smallness. Once that level has been reached, a further reappraisal of the Fund's character would be useful.

21. But if the Fund is to retain its uniquely mutual character, it should not become dependent only on the goodwill of its developed members. While recognition should be given to the substantial contributions in kind made by developing countries in such forms as subsidised training and their supplementary contributions in cash for "operational" posts, it is nevertheless important to maintain a satisfactory relationship between the voluntary contributions from developed and developing countries.

22. At present, voluntary contributions to the Fund are made in the proportion of approximately 6:1 between developed and developing countries of the Commonwealth. To get this comparison into perspective we should remember that average income per head in the developed countries is 20 times income per head in the developing countries. The contributions of the developing countries, in the context of their own economies, represent a significant earnest of their commitment.

23. If, as I hope, developed member countries agree to channel a higher percentage of their gross ODA through the CFTC, the proportionate contribution from the developing member countries may start to fall. This process, if allowed to go to extremes, could be detrimental to the truly mutual character of the Fund. I recommend, therefore, that it should be our aim that the contributions of the developing countries should not in any year fall below 10 per cent of the total pledged income. This would mean some additionality in individual contributions from developing countries while contributions from developed countries will also be expected to increase, mainly as a result of re-allocations.

24. In proposing a higher voluntary commitment of resources to the Fund Heads of Government will wish to note that I have consciously sought to avoid an enlargement of the Secretariat's own establishment or budget. Despite the many new activities with which the Secretariat has been entrusted during the last four years, its total complement of staff has grown over that period from 210 to 213, an increase of only 1·43 per cent; and its budget, after making allowance for inflation, has actually decreased by 2·6 per cent in real terms. This reflects the assurance I gave to Heads of Government in my Sixth Report, 1977, that "the Secretariat has no plans for growth, except in service to member Governments". It will be my endeavour to continue this policy of restraint in staff expansion so that we might maximise the availability of resources for development through the Fund.

25. If agreement can be reached in support of the approaches outlined in this paper, the Fund will maintain its progressive role as a pioneer in co-operative international development. It has a strong base of experience and tested organisation and I am confident that it has the capacity to move forward with renewed creativity in a manner which will enhance the vitality and influence of the Commonwealth itself.

26. There are always, from time to time, issues which Commonwealth countries view differently. They tend to divide us. This is not one of them. The work of the CFTC is one of our major unifying influences. We need to optimise its potential. My proposals are directed to this end.

Commonwealth Secretariat
Marlborough House
London SW1
June 1979

SUPPLEMENTARY NOTE ON CFTC FINANCES

The provisional CFTC accounts for the 1978–79 financial year show the following outcome:—

Actual Expenditure	*Actual Income*
£11·27 million	£10·6 million (including £1 million carried forward from previous year)
Deficit: £670,000	

At the start of the 1978–79 financial year anticipated income from pledges, carry forward funds and other receipts was £11·3 million. The shortfall is made of the following:

Unpaid pledges	£0·45 m
Unpaid other costs	£0·28 m
	£0·73 m

The plan of expenditure for 1979–80 of £13·5 million was based on the assumption that there would be a carry forward from 1978–79 of *£0·3 million.* Instead a deficit of *£0·67 million* has been carried forward. This means that even if pledges are increased by about 30 per cent the plan of Expenditure of 1979–80 will have to be scaled down to *£12·5 million.* Taking account of inflation at about 12 per cent this would be a stand-still budget (in real terms).

If, therefore, pledges (and payments) averaging 30 per cent higher than the 1978–79 pledges are not received, the Fund, for the first time since its establishment will actually decline in size.

But such limits are nowhere yet in sight. Reviewing our operational needs over the next few years, I suggest that, our aim should be to enable the Fund, within its present mandate, to grow to a value of £25 million at 1979 prices. A fund of that size would acquire additional advantages of scale without losing the undoubted advantages of flexibility and smallness. Once that level has been reached, a further reappraisal of the Fund's character would be useful.

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23. If, as I hope, developed member countries agree to channel a higher percentage of their gross ODA through the CFTC, the proportionate contribution from the developing member countries may start to fall. This process, if allowed to go to extremes, could be detrimental to the truly mutual character of the Fund. I recommend, therefore, that it should be our aim that the contributions of the developing countries should not in any year fall below 10 per cent of the total pledged income. This would mean some additionality in individual contributions from developing countries while contributions from developed countries will also be expected to increase, mainly as a result of re-allocations.

24. In proposing a higher voluntary commitment of resources to the Fund Heads of Government will wish to note that I have consciously sought to avoid an enlargement of the Secretariat's own establishment or budget. Despite the many new activities with which the Secretariat has been entrusted during the last four years, its total complement of staff has grown over that period from 210 to 213, an increase of only 1·43 per cent; and its budget, after making allowance for inflation, has actually decreased by 2·6 per cent in real terms. This reflects the assurance I gave to Heads of Government in my Sixth Report, 1977, that "the Secretariat has no plans for growth, except in service to member Governments". It will be my endeavour to continue this policy of restraint in staff expansion so that we might maximise the availability of resources for development through the Fund.

25. If agreement can be reached in support of the approaches outlined in this paper, the Fund will maintain its progressive role as a pioneer in co-operative international development. It has a strong base of experience and tested organisation and I am confident that it has the capacity to move forward with renewed creativity in a manner which will enhance the vitality and influence of the Commonwealth itself.

26. There are always, from time to time, issues which Commonwealth countries view differently. They tend to divide us. This is not one of them. The work of the CFTC is one of our major unifying influences. We need to optimise its potential. My proposals are directed to this end.

Commonwealth Secretariat
Marlborough House
London SW1
June 1979

SUPPLEMENTARY NOTE ON CFTC FINANCES

The provisional CFTC accounts for the 1978–79 financial year show the following outcome:—

Actual Expenditure	*Actual Income*
£11·27 million	£10·6 million (including £1 million carried forward from previous year)
Deficit: £670,000	

At the start of the 1978–79 financial year anticipated income from pledges, carry forward funds and other receipts was £11·3 million. The shortfall is made of the following:

Unpaid pledges	£0·45 m
Unpaid other costs	£0·28 m
	£0·73 m

The plan of expenditure for 1979–80 of £13·5 million was based on the assumption that there would be a carry forward from 1978–79 of *£0·3 million*. Instead a deficit of *£0·67 million* has been carried forward. This means that even if pledges are increased by about 30 per cent the plan of Expenditure of 1979–80 will have to be scaled down to *£12·5 million*. Taking account of inflation at about 12 per cent this would be a stand-still budget (in real terms).

If, therefore, pledges (and payments) averaging 30 per cent higher than the 1978–79 pledges are not received, the Fund, for the first time since its establishment will actually decline in size.

STATEMENT OF PLEDGES TO COMMONWEALTH FUND FOR TECHNICAL CO-OPERATION

	1971–72 £	*1972–73* £	*1973–74* £	*1974–75* £	*1975–76* £	*1976–77* £	*1977–78* £	*1978–79* £	*1979–80* £	*1980–81* £
Australia	—	100,000	100,000	337,154	454,250	524,828	728,952	702,333	—	
Bahamas	1,978	4,347	91,306	4,293	4,878	5,759	7,608	7,360	—	
Bangladesh	—	28,000	29,400	72,231	42,000	44,000	55,548	60,000	—	
Barbados	500	500	500	1,041	3,125	7,197	8,000	9,000	—	
Botswana	5,000	5,000	11,173	13,747	13,747	20,910	31,365	27,808	—	
Britain	66,492	186,802	383,875	700,000	1,332,161	1,800,000	3,000,000	3,600,000	—	
Canada	139,316	303,517	603,500	1,284,493	1,823,226	2,491,173	3,479,136	3,574,950	—	
Cyprus	2,407	6,944	8,491	6,000	6,000	7,500	10,000	—	—	
Dominica	—	—	—	—	—	541	541	—	—	
Fiji	957	14,000	16,000	18,000	18,000	21,879	22,060	23,814	—	
The Gambia	500	1,000	3,000	4,000	5,000	5,000	8,000	8,000	—	
Ghana	9,493	10,752	10,753	11,236	19,338	22,447	22,900	18,750	7,900	
Grenada	—	—	—	—	500	1,500	4,500	2,250	—	
Guyana	600	588	286	287	25,000	28,287	34,000	34,000	—	
India	15,190	35,000	35,000	40,000	60,000	80,000	120,000	120,000	—	
Jamaica	28,000	28,000	28,000	28,000	50,000	50,000	60,378	60,378	52,000	
Kenya	11,667	11,451	11,713	11,695	11,834	26,537	19,393	26,143	—	
Lesotho	1,000	1,000	5,000	6,167	6,433	6,934	6,934	7,500	—	
Malawi	5,000	5,000	5,000	5,034	6,463	8,929	11,255	11,255	—	
Malaysia	1,000	1,000	5,000	7,500	7,500	15,000	33,333	33,333	33,333	
Malta	500	500	500	1,000	5,000	6,739	10,000	10,000	—	
Mauritius	1,500	4,350	7,000	10,000	12,500	12,500	16,000	16,000	—	
New Zealand	15,594	16,054	61,009	264,512	292,295	318,142	335,820	325,857	—	
Nigeria	17,500	35,791	41,772	462,865	555,787	565,800	720,200	720,000	—	
Papua New Guinea	—	—	18,545	22,594	24,242	28,403	36,304	38,006	—	
St. Lucia	—	—	—	—	1,041	1,087	—	—	—	
Seychelles	—	—	—	—	—	1,000	1,500	1,500	—	
Sierra Leone	1,500	1,500	3,000	3,000	3,600	3,000	6,000	—	—	
Singapore	3,000	3,000	3,000	3,000	5,000	5,000	7,500	7,500		
Solomon Islands	—	—	—	1,124	1,236	1,272	1,272	5,451	—	
Sri Lanka	1,000	2,000	2,000	3,000	3,000	3,000	3,500	3,500	—	
Swaziland	—	1,500	8,552	7,878	8,250	20,000	19,405	—	—	
Tanzania	—	28,000	28,000	29,770	68,800	64,631	69,252	59,172	—	
Tonga	1,000	2,000	2,000	3,000	3,000	3,000	4,500	4,500	4,500	
Trinidad and Tobago	2,083	2,085	108,330	1,458	7,500	8,727	50,000	50,000	50,000	

STATEMENT OF PLEDGES TO COMMONWEALTH FUND FOR TECHNICAL CO-OPERATION—*Continued*

	1971–72 £	*1972–73* £	*1973–74* £	*1974–75* £	*1975–76* £	*1976–77* £	*1977–78* £	*1978–79* £	*1979–80* £	*1980–81* £
Uganda	5,314	5,759	5,620	5,370	5,572	6,499	7,030	6,784	—	
Western Samoa	1,250	1,250	1,250	2,500	3,000	3,600	5,760	7,500	—	
Zambia	16,500	—	20,000	20,125	33,593	34,691	36,415	29,413	—	
Nauru	1,767	800	933	923	840	1,071	5,735	276	—	
Belize	—	—	—	—	—	313	781	1,837	—	
Cook Islands	—	—	—	—	—	—	—	520	—	
Hong Kong	—	—	—	15,000	15,000	17,096	20,000	24,000	—	
Montserrat	—	—	—	—	—	1,000	1,000	550	—	
St. Kitts	—	—	—	—	—	600	600	—	—	
St. Vincent	—	—	—	500	—	525	568	783	—	
	357,608	845,990	1,659,508	3,390,497	4,938,711	6,276,117	9,023,045	9,640,023		

27 July 1979

WOMEN AND DEVELOPMENT

Memorandum by the Commonwealth Secretary-General

At their Meeting in Kingston in May 1975, Heads of Government stressed the importance of women participating in the political, economic, social and cultural activities of their countries. They recommended that as far as possible existing and future Commonwealth programmes should take into account the needs and aspirations of women and that genuine efforts be made to provide for their full participation in national and international affairs.

2. At their last Meeting in London, in June 1977, Heads of Government recognised that:

> " unless women are active participants both in contributing to the process of development and as beneficiaries, the goals of social and economic growth would not be fully realised. They therefore agreed that all programmes of the Secretariat should reflect this awareness and seek to contribute to the full integration of women in the development process. They requested the Secretary-General to report to Governments on the progress achieved." (Para. 67, London Communiqué, June 1977)

3. Since Heads of Government last met, the Secretariat has taken several steps in working toward these objectives. In recent months an internal Secretariat Working Party, assisted by a consultant, Ms. Elizabeth Reid of Australia, has undertaken an intensive review of the extent to which women have been participating in and benefiting from Secretariat programmes, and the scope for expanding the Secretariat's capacity to play its full part in assisting the integration of women more effectively into the process of development within the Commonwealth. A summary note on the Working Party's findings is being circulated as a supplement providing the background to this memorandum.

4. The review has proved particularly useful in demonstrating a variety of means by which the Secretariat can respond to the expressed wishes of Heads of Government. It should be possible to ensure, for example, at the planning stage, that appropriate Secretariat activities are formulated in a manner which takes maximum account of the needs of women and of their potential as participants. Greater efforts can be devoted to increasing both the number of women recipients of educational and training awards and the number of women recommended for technical assistance assignments through the CFTC. In addition, Secretariat case studies, training and similar materials can be reviewed and, where necessary, reformulated to reflect the importance of women as essential participants in and beneficiaries of the development process. Finally, special attention can be paid to the desirability of increasing the proportion of women appointees to the professional staff of the Secretariat and the CFTC.

5. Overall responsibility for achieving the full integration of women in development lies of course with national governments and the Secretariat's activities must be in full harmony with the objectives of member governments. There is much encouraging evidence that Commonwealth countries are devoting greater attention to the needs of women in the national development process and increasingly recognising the productive potential of women within their development strategies. Many Commonwealth countries, both developed and developing, have established national commissions, bureaux of information and administration centres to help promote the inclusion of women in planning and other activities relating to development and to propose special programmes for women. These

national bodies are entrusted with the responsibility of maintaining national laws and regulations under constant review and reporting to governments on the results achieved.

6. There is, clearly, considerable scope for enhanced Commonwealth co-operation in the integration of women in development, drawing on the accumulated governmental and non-governmental experience in many Commonwealth countries. This co-operation could take the form of information exchanges and technical assistance in the establishment of national programmes or machinery.

7. The co-ordination of Secretariat activities aimed at enabling women to play a greater part, both as participants and beneficiaries, in the progress of development will require a focal point. To this end, the establishment of a small unit within the Secretariat which would be responsible for co-ordinating and monitoring action in this area has been recommended by the Internal Working Party. The key post would be that of Adviser to the Secretary-General on Women and Development. The Adviser would be responsible for assisting the Secretary-General in both meeting the expressed wishes of Heads of Government at their last two Meetings and in responding to further directives on the role of women and development. This proposal is commended to Heads of Government but on the basis of an initial three-year programme to be evaluated within its third year.

8. The Adviser would co-ordinate Secretariat activities in the field, monitor progress and be responsible for the collection and dissemination of information between member countries and other relevant organisations. The Adviser would work closely with all Secretariat Divisions in the planning and implementation of their work programmes. Another key function would be assistance in the identification of suitably qualified persons for technical assistance assignments through the Commonwealth Fund for Technical Co-operation in response to requests for such assistance by member countries. The Adviser would also maintain close contact with existing regional and sub-regional women's centres, including those established by the UN, and with national organisations responsible for women and development. And since reform must begin at home, the Adviser should help in the development of administrative and personnel policies and practices within the Secretariat in concordance with the full integration of women in the development process.

9. The costs involved in providing these services within the Secretariat are estimated at £34,540 for 1979–80 and £52,580 for the first full financial year, 1980–81.

Conclusion

10. In directing attention to the role of women in development at both the 1975 and 1977 Meetings, Heads of Government recognised that by bringing women into the mainstream of development, Commonwealth countries had much to gain in all spheres of national life: economically, politically and socially. The actions outlined in this paper are a response to the concerns expressed by Heads of Government at their last two Meetings. They will ensure that Comonwealth Governments receive suport and assistance from the Secretariat which is in harmony with the objectives identified by Heads of Government. The additional costs involved are not large but the potential for making more effective use of expenditures both on technical assistance and through other Secretariat programmes is substantial.

Commonwealth Secretariat
Marlborough House
London, SW1
June 1979

ANNEX to
HGM (79) 14

WOMEN AND DEVELOPMENT: A SUPPLEMENTARY NOTE

A summary of the Working Party's findings

At their London Meeting in 1977, Heads of Government agreed that all programmes of the Secretariat should reflect an awareness of the need to ensure that women are active participants in contributing to the process of development and as beneficiaries. There are several elements to this directive. A first, and fundamental element is the need to ensure that women have equality of opportunity to participate in seminars and training courses, scholarship schemes, job opportunities, meetings and other Secretariat activities. A second and perhaps less tangible element is the need to create a greater awareness of what is meant by and involved in ensuring that women are equitable beneficiaries of the development process. This is a dimension of sensitivity creation or of consciousness raising. A third element is the requirement for an on-going institutionalised effort to reformulate the work priorities in each Division, to re-design programmes and training materials and to develop new programmes.

In the following paragraphs each of these elements will be considered in more detail.

1. Equality of opportunity

The call for more equitable access by women to scholarships, training, seminars, meetings, field postings and promotions is not a strategy of satisfying basic needs since only those who are already privileged through education or training can avail themselves of such opportunities. Nor would increased representation of women necessarily lead to the creation of greater awareness of women's needs and capacities or to more sensitive programme preparation and execution.

The principle of equality of opportunity requires that there be equal access by men and women to such opportunities . This is not just an abstract principle; it is based on an acknowldegement that such participation brings benefits to the participants. These include the establishment of contacts, broadening of knowledge, skills and experience, and a deeper understanding of one's working environment. The acquisition of these in turn not only benefits a wider community but are often prerequisites for an individual's promotion and advancement. Such benefits should therefore be available to all, irrespective of sex. Examples to follow already exist in some Commonwealth countries. In Bangladesh for instance a set percentage of government service posts has been allocated specifically for women.

The distribution of opportunities by sex for selected Secretariat activities is shown at Table 1 and the access of women to the scholarships offered by the Education and Training Programmes of the CFTC, by region and by occupation category, is set out in Table 2. In both cases women are a small minority of the total beneficiaries.

There remains the question of how effectively or efficiently the number of women can be increased. The actual policies which could be adopted by the Secretariat would depend on a variety of factors relevant to the particular situation.

In the case of the Commonwealth Scholarship and Fellowship Plan, there exist strong arguments for establishing phased targets, or indicative planning figures, to increase the number of women scholars. Access to higher education is an essential precondition for increasing women's participation and their

exclusion from such opportunities has serious longer term implications. The paucity of women reaching the higher decision-making or professional cadres makes it all the more difficult for member governments to include women in their delegations to international meetings. Although the number of women scholarship holders has been gradually increasing in recent years, only 17 per cent of all scholars in 1975–77 were women. Furthermore, only 15 per cent of those nominated by governments were women.

In the case of the scholarships and training funded by the Education and Training Programme of the CFTC there are at least three options. A mandatory minimum percentage of all scholarships could be allocated to women. This could however create administrative problems for the Secretariat as there is no overall deadline for applications; rather, they arrive continually throughout the year. An alternative would be to set targets or indicative planning for achieving the targets, in consultation with governments.

A second option could be the provision by host governments of additional positions or scholarships, over and above the normal allocation, to those countries who nominate women in a wide range of disciplines.

A third option, and perhaps the most acceptable, would be for the Secretariat to play something of an advocacy role. Whenever scholarships or training courses are available or requested in certain disciplines, governments could be specifically requested to submit nominations for women as well as men.

When manpower and training surveys are undertaken, the terms of reference should include the need to identify skilled women, and ensure that no sexual divisions of labour be assumed in the identification of training needs.

If the objective of raising the number of women appointed to field positions is to be met, a new and imaginative policy of widening the range of contacts and sources, particularly informal contacts, by which suitable female candidates could be recruited. It will also require that, when presented by the CFTC with a panel of suitably qualified women and men, governments ensure that the principle of merit applies rather than the more habitual response of selecting men.

2. Consciousness-raising

This aims to create a sufficiently sensitive environment to ensure that women are beneficiaries of the programmes of the Secretariat and contributors to the economic and social growth of their countries. It involves the creation of an awareness amongst Secretariat staff of the objectives which underlie the provision of more equitable opportunities for women.

All divisions and programmes of the Secretariat should be made aware of the range of factors involved in adopting, as a development strategy, the need for a greater integration of women into development. It requires the gradual changing of attitudes often held unconsciously.

There are various kinds of obstacles to the achievement of the fuller integration of women in development—political, economic, cultural, technical—but the most fundamental obstacle is conceptual. There is invariably a lack of compatibility, for example, between the range of activities which women actually undertake and those of which they are considered to be capable, between their actual economic and social roles and perceptions of their contributions. All too often in the transition from traditional to modern, where the tasks traditionally were performed by women, training in modern techniques or in the commercialisation of production, processing and distribution goes only to men. Too often this is not a conscious policy but rather an outcome determined by a lack of understanding of the processes involved.

The conceptual obstacle may be described as a form of developmental blindness. The small farmer is too often envisaged to be male; the forgotten 40 per cent are rarely perceived to be predominantly female. This inevitably influences who benefits from programmes designed for these groups. The agents of development, the planners, extension workers, aid or project personnel, are predominantly male; they tend to work through men. Thus they have little appreciation of women's perceptions, experiences or needs. Overcoming this conceptual obstacle requires the collection of certain types of data, studies of the allocation of time and tasks by sex, studies of the impact of development interventions made without regard to women; that is, data which can be used as a persuasive or educative tool to lessen this developmental blindness and to remove the conceptual obstacles to greater awareness of the contribution of women.

The process of consciousness-raising which would give rise within the Secretariat to this awareness, rests first and foremost on an understanding of the issues involved. This requires a systematic process of education. Even within a single discipline the issues involved can often be formidably complex, demanding an intricate array of information and data. Secondly it requires that a particular approach should become habitual: there must be a set of automatic responses which would express themselves as questions such as: " What is the impact on women? ", " Are women participating? ", " What needs to be done for women? ", " What traditional skills do women have? " and so on. In other words, an automatic checklist.

The impact of development on women is now being better documented but there is rarely a simple cause/effect relationship involved. It remains a difficult task to determine exactly where the most effective interventions should be made so that the incidence of displacement or economic marginalisation can be lessened. Furthermore, this complexity allows the possibility of situations where many professional economists, agriculturalists, engineers and others do not see their work as needing to take women into account or as being related to phenomena such as the displacement of women from the workforce. For very often there is no simple, obvious relationship. The neglect of women or lack of a focus on women can often result by default.

The challenge from the Secretariat's point of view is to increase the generalised awareness among staff of the importance of these issues. There are certain procedures that can and should be introduced which will require staff and consultants to turn their attention to these topics. These procedures should be designed to ensure the compilation of the required data base for an analysis of Secretariat programmes by sex. Thus the studies commissioned by the Economic Affairs Division to assist developing countries to increase domestic processing of local products and raw materials should contain a breakdown of figures by sex for employment in the traditional industries and associated processing industries, and there should be a description of the traditional sexual division of labour. The projected figures for employment creation should also be differentiated. Clearly it would be beyond the responsibilities of the consultants to prescribe a division of labour by sex but traditional skills could be identified and the problems of, for example, displacing female labour, incorporating women as unpaid labour or providing access to training could be considered.

In general, in this series of studies, more attention should be given to identifying local processing technologies which could be suitable for women with household responsibilities. It is rarely the case that policies are adopted within countries to exclude women from such opportunities but it is equally rare that such considerations enter explicitly into the planning process. Once again Commonwealth countries provide examples to follow in formulating policies in this regard. For example, India, in the formulation of its draft Sixth Development Plan, is an outstanding example of sensitivity to the economic potential of women.

In the case of seminars and meetings funded by the functional Divisions of the Secretariat, governments could be encouraged to include women in delegations or as participants. The Youth Division has recently adopted this policy and the Education Division adopted it for the Commonwealth Conference on Non-Formal

Education for Development held in New Delhi in February 1979. Although this is an area in which participation of women is fundamentally higher, Table 1 demonstrates that a minority of delegates were women. The functional Divisions should also ensure that women attend meetings and seminars as resource people and lead speakers as well as participants.

There is another way in which women can and should be "added": they should be made more visible in reports, surveys and information material. The extent of women's involvement, the kind of involvement, the patterns over time of involvement, their role, contributions, displacement or absorption should be apparent from such material.

The terms of reference of all consultants should include a directive to take women into account and that data and tables should, where appropriate, be shown with a male/female breakdown. For example, questionnaires sent to governments as the basis of the Commonwealth survey of programmes towards universal primary education requested no male/female breakdown on access to primary schools by sex. It is essential that other relevant issues are considered from this point of reference—teacher training, curriculum content, education administration, wastage rates or non-formal education—since it is well known that there are significant differences in the access of girls and boys to primary education, depending on cultural or other local factors. Thus in Lesotho and Botswana, significantly fewer boys have access to primary education whilst in India and Bangladesh significantly fewer girls have this access. Information material should, furthermore, depict, wherever relevant, women's activities, women's projects and projects in which women are participating. Efforts are being made by the Information Division to achieve this.

These considerations should also apply equally to the Secretariat staffing establishment. The Secretariat must be conscious of the need to provide for equitable representation of women in professional and diplomatic positions and the access of female staff to opportunities to attend meetings, seminars and training courses.

Achievement of the objective of equality of opportunity requires in large part, the application of mechanical procedures which advocate or require that women participate adequately. It is perhaps the easiest objective to meet.

The Secretariat could also assist in the process of creating a wider awareness of these issues and of raising the consciousness of others. Training materials should be adapted to accommodate these issues and new materials commissioned as required. The Programme for Applied Studies in Government could review its case studies and training materials with this in mind. In particular it should reconsider its Case Studies and Problems in Planning and Managing Development Projects series which contains much valuable information but which nowhere considers women except as a peripheral issue and subsumed under the sub-category of social, cultural and environmental considerations. The Education Division, as part of its Book Development Programme, has developed a check-list of criteria for evaluating text books. It evaluates the substance of text books to determine if any of the material on race, religion or ethnicity is offensive. A further check should be added on the depiction of women.

The Youth Worker's Training Kit of the Commonwealth Youth Programme, Lobilelo Village, which is being used to train leaders in many parts of Africa needs to be revised, not only for the content but also for the unquestioned use of stereotypes and the attitudes and assumptions about women which it reflects. The imaginary case study claims to be typical of many rural villages yet all the substantial roles are played by men—community development officer, agricultural extension agent, trade union organisations, farmer and district officer. The exercises do not allow for a questioning of the typicality of the situation nor does the outcome question the implicit assumption.

The reviews and the reformulation of materials should be built into the work programmes of the various Divisions and, if necessary, funds found to convene workshops or commission consultants to assist in this task.

An additional way of creating the required awareness is by commissioning and widespread dissemination of studies such as the Legal Division's analysis of the legislative measures throughout the Commonwealth designed to prevent discrimination against women, and the collaborative study being undertaken by the Medical and Legal Divisions of legislation governing the use of paramedical personnel for duties traditionally undertaken by doctors. Such studies must be fully utilised if they are to be effective however. Their findings must be analysed and built into the work programmes of the Divisions concerned.

3. Programmes which reflect the new sensitivity

If the Secretariat is to ensure that its programmes reflect an awareness of the need to involve women both as participants and as beneficiaries, it needs a focal point from which this can be co-ordinated. This is particularly important because of the multi-disciplinary and multi-sectoral nature of many programmes for women. Extensive inter-divisional co-operation is therefore necessary and for this reason it would be inappropriate for responsibility to be taken by any one existing functional Division. The extent of the day-to-day work involved, including information collection and analysis, dissemination, programme design, and the development of methodologies tells against the adequacy of placing responsibility with either a task force, the Secretariat's Planning Committee, or indeed leaving the responsibility solely to the Divisions themselves. Similarly, the extent of the work makes it impracticable to add these responsibilities to the duties of any existing post. The achievement of the objectives which have been set will require a concentrated and sustained effort which can only be applied by the establishment of a separate office within the Secretariat.

4. Adviser to the Secretary-General on Women and Development

The Adviser would be responsible for assisting the Secretary-General in the implementation of both the recommendations of the 1975 and 1977 Commonwealth Heads of Government Meetings, and of future directives on the role of women in development. This officer would co-ordinate Secretariat initiatives in the field, monitor progress, collect and disseminate information and initiate programmes. The Adviser would work closely with the Secretariat Divisions in the formulation and implementation of their work programme.

The Adviser would assist the Secretariat, especially through the Commonwealth Fund for Technical Co-operation, in responding to the identified needs and priorities of governments. The officer should also work closely with existing regional and sub-regional women's centres, particularly, but not exclusively, those established by the UN, in order to maximise effectiveness while minimising duplication of effort. There should also be liaison with national machinery and mechanisms for women established by their states.

The Adviser would also assist in the revision of administrative and personnel policies and practices within the Secretariat to ensure that they are consistent with the full integration of women in the development process.

A clearing house should be established within the Office so that information concerning government policies and projects for women, women's activities and the data base required for the provision of informed technical assistance can be collected and disseminated. This is of particular importance since adequate solutions to many of the problems facing women have not yet evolved and there is consequently a pressing need for assistance in the exchange of experience. To assist in this, funds should be available to commission case studies on successful projects which could be used as models and to commission papers which will assist in setting the work programme priorities of the Office.

To perform the varied duties described above the Adviser would require the assistance of a Document Officer and a Secretary. The costs involved in providing these services within the Secretariat are estimated at £34,540 for 1979–80 and £52,580 for the first full financial year 1980–81. A breakdown of costs is given in Table 3.

5. Technical assistance

The professional skills needed to provide the type of assistance required in this field by governments are not widely possessed. In most cases what is required is the skill of applying some other discipline such as medicine, agriculture, education, economics, in a way that demonstrates a sensitivity to the needs of women and an ability to express this awareness in the exercise of a profession. In some cases a quite new professional skill is required, such as in the development of appropriate planning strategies and methodologies for the integration of women in development.

Hence, requirements of this new and expanding discipline cannot be satisfied simply by adding more women field experts. Rather, both female and male professionals will have to be trained in a new approach to their present professions. Similarly, because of the tentative and embryonic nature of this discipline, governments often have difficulty in identifying with any precision the kind of advisory and technical assistance they require in this field. In fact, one important form of assistance lies in the identification of areas of need, the preparation of proposals, drafting the job descriptions and the identification of adequately qualified resource persons.

The provision of technical and advisory services to governments only rarely entails the identification of appropriate personnel and their assignments to existing positions. On most occasions it will require the training of otherwise qualified professionals in the non-discriminatory application of this knowledge. Since this training to date is not offered in professional institutions, it will have to be provided on the job. Thus, if the Office of the Adviser on Women and Development is to fulfil this vital function, a new procedure must be devised whereby training can be provided in the provision of this form of assistance. Its Director would of course already possess the professional skills of this new discipline.

In order to be in a position to respond to requests from governments for assistance relating to women, the Office of the Adviser on Women and Development should identify a number of consultants who could be available, through the CFTC, for assignment to those governments which seek such assistance. Initially two or three people could be available with experience in national or sectoral planning, in project design and execution or in key sectoral areas such as agriculture, manpower planning, appropriate technologies or the development of small scale industries, who would be trained on the job by the Office in the special skills required for working with or on behalf of women. In the field they would also collect information, research findings and ethnographical data, consult with women's organisations, researchers and officials, identify resource people and areas where Commonwealth Secretariat support, or other multilateral or bilateral support, is required. In this way the work programme priorities of the Office could more clearly reflect the needs of countries and the technical and advisory support provided be more effective.

TABLE 1

SCHOLARSHIPS, MEETINGS AND FIELD POSTINGS

	Women	*Total*	*Percentage of women*
CFTC Education and Training Programme* (1 July 1978–31 January 1979)			
—scholarships	63	381	17
Commonwealth Scholarship and Fellowship Plan (1975–76)			
—nominated for scholarship	166	1,099	15
—scholars	62	375	17
—fellows	8	115	7
CFTC Field Expert Roster (at 21 March 1979)	125	4,500	3
CFTC Experts at Post			
—long term (at 31 December 1978)	9	287	3
—short term (1 November 1978–21 March 1979)	3	23	13
Programme of Assistance to Zimbabweans (1978)	79	343	23
Programme of Assistance to Namibians (1978)	59	162	36
Commonwealth Conference on Non-Formal Education for Development (January–February 1979)			
—participants	23	105	22
—delegations with women members	16	27	59
—delegations led by a woman	2	26	7
CYP Regional Training Centres (1974–79)			
—diploma courses	31	138	22
—Africa Centre	5	34	15
—Asia-Pacific Centre	10	37	27
—Caribbean Centre	11	40	28
—Pacific Centre	5	27	19
The Ocho Rios Meeting of Young Commonwealth Youth Leaders (May 1977)			
—delegates	21	87	24
—speakers	0	3	0
Youth in Business Regional Seminar (March 1978)	2	21	10
Rural Technology Meeting for East, Central and Southern Africa (August–September 1979)			
—participants	8	79	10
—speakers	0	6	0

*Sample represents 75 per cent of all scholarships offered in this period.

TABLE 2

EDUCATION AND TRAINING PROGRAMME OF CFTC: 1 JULY 1978 TO 31 JANUARY 1979

	Africa and Indian Ocean		*Asia*		*Caribbean and Atlantic*		*Pacific*		*Mediterranean and General*		*Total*	
	M	*F*	*M*	*F*	*M*	*F*	*M*	*F*	*M*	*F*	*Male*	*Female*
Public Administration and Management	24	3	9	—	16	5	12	—	6	3	67	11 (14%)
Agriculture/Renewable Resources	29	3	6	—	8	1	6	—	—	—	49	4 (8%)
Computer/Statistical Studies	2	3	—	1	—	—	—	—	—	—	2	4 (67%)
Education	9	4	—	1	9	4	10	3	—	—	28	12 (30%)
Electronics/Engineering	10	—	5	—	3	—	2	—	—	—	20	— (0%)
Health	9	2	2	—	3	4	4	—	—	—	18	6 (25%)
Industry and Trade	38	2	11	—	7	—	27	—	—	—	83	2 (2%)
Legal	2	—	—	—	1	1	—	—	—	—	3	1 (25%)
Library	4	1	—	—	—	2	—	—	—	—	4	3 (43%)
Mass Media	3	1	1	—	—	1	—	—	—	—	4	2 (33%)
Police and Narcotics Training	3	—	—	—	—	—	2	—	4	—	9	— (0%)
Social Work	—	—	—	—	1	7	1	1	—	—	2	8 (80%)
Telecommunications/Air Traffic Control	10	—	—	—	7	2	—	—	—	—	17	2 (11%)
Town and Regional Planning	3	1	4	—	—	—	2	—	3	3	12	4 (25%)
Women and Youth Leadership	—	4	—	—	—	—	—	—	—	—	—	4 (100%)
Total	146	24	38	2	55	27	66	4	13	6	318	63 (17%)

Notes:

The statistics above represent approximately 75% of the scholarships offered during this period as information on the participants in the remaining 25% is not available.

The statistics do not include participation in short-term study tours or seminars.

TABLE 3

BUDGET ESTIMATE

OFFICE OF THE ADVISER ON WOMEN AND DEVELOPMENT

	1979–80 (6 months) £	*1980–81 (12 months)* £
Salaries		
Director (D2)*	7,944	15,888
Senior Documentalist (M2)	4,534	9,068
Personal Secretary (S2)	2,750	5,500
Allowances (including Housing, Education and Entertainment (D2))	5,312	10,624
Travel		
Fares/Expenses on Appointment (D2)	5,000	Nil
Fares/Expenses on official duty	4,000	6,500
General Administration		
Office Equipment/Furniture	2,500	Nil
Commissioned Studies	2,500	5,000
Total	£34,540	£52,580

* Costs of married officer with 2 children (at maximum salary) and includes expatriation and dependants' allowances and superannuation.

RESOLUTIONS OF COMMONWEALTH MINISTERS OF HEALTH AND OF COMMONWEALTH YOUTH LEADERS

MEMORANDUM BY THE COMMONWEALTH SECRETARY-GENERAL

At the meeting in Geneva of Commonwealth Ministers of Health on 6 May, 1979, two resolutions were adopted, one dealing with health manpower, the other with the Declaration of Alma Ata, which Ministers wished to have drawn to the attention of Heads of Government at their Meeting in Lusaka. The texts of these resolutions are at Annex 1.

Young Commonwealth Leaders met in Colombo from 3 to 8 May and they, too, adopted two resolutions, one dealing with international economic issues, the other with Southern Africa, which they requested be drawn to the attention of Heads of Government. The texts of the resolutions are at Annex 2.

Commonwealth Secretariat
Marlborough House
London SW1
June 1979

RESOLUTIONS OF COMMONWEALTH MINISTERS OF HEALTH

Resolution I

The Ministers of Health assembled in Geneva on 6 May, 1979,

noting the decisions taken by the Fifth Commonwealth Medical Conference, held in Wellington, New Zealand in 1977, and the report on the brain-drain which was presented to that Conference and brought to the attention of Commonwealth Heads of Government at their London Meeting earlier in 1977;

request the Secretary-General to invite the attention of the distinguished Heads of Government at the Lusaka Meeting to the following points which are vital to the achievement of the goals mentioned above:

1—the need for sufficient resources of all kinds including appropriately trained health manpower;

2—the continuing brain-drain of health personnel both between and within countries;

3—the undesirable development of " off-shore medical schools " with special reference to questionable standards.

Resolution II

Commonwealth Ministers of Health assembled in Geneva on 6 May, 1979,

bearing in mind the Declaration of Alma Ata, in which the nations of the world reaffirmed the objective of attaining an acceptable standard of health for all by the year 2000;

request the Secretary-General to invite the attention of the distinguished Heads of Government Meeting in Lusaka to the need for:

1—affirmation at the highest government level of a firm political commitment to the achievement of this goal;

2—the allocation of additional resources on a steadily increasing basis to the sectors of health and welfare, without which the objective will remain a distant dream;

3—the mounting, as a matter of urgency, of an integrated and co-ordinated effort on the part of all Ministries, departments and peoples involved;

in order to enable the countries of the Commonwealth, together with the other nations of the world, to achieve one of the noblest and challenging objectives ever placed before mankind.

RESOLUTIONS OF COMMONWEALTH YOUTH LEADERS

International economic issues

The Young Leaders reviewed the wider international economic situation affecting their respective countries. They discussed aspects of existing international economic relationships, especially the call by developing countries for the establishment of a new economic order which would facilitate the growth and development of their countries.

In particular, the Young Leaders agreed to draw the attention of the Commonwealth Heads of Government to several matters of special concern to them, the solution to which could bring an end to the domination of many developing economies by foreign capital which constitutes a major obstacle to national development in many Commonwealth countries. The Young Leaders felt that fundamental economic transformation lies at the heart of strategies to overcome youth unemployment.

The Young Leaders expressed the desire that their views on these matters be referred to Commonwealth Heads of Government, and urged that they be requested to take action as follows:

(*a*) The Young Leaders agreed that the operation of multinational corporations (MNCs) can harm the fullest development of countries in which they invest, especially with regard to investment patterns, the repatriation of profits and, on occasion, their intervention in the political affairs of Commonwealth nations. Governments should ensure that MNCs act in the best interests of the youth of their countries by adopting regulatory measures and co-operating through both individual commodity associations and regional economic organisations, to adopt a common and well regulated approach to MNCs.

(*b*) The Young Leaders expressed deep concern at the restrictive operations and undemocratic structure of international finance institutions such as the IMF and the IBRD. They emphasised the need for democratisation of these institutions and called on Commonwealth Governments to press for the necessary structural changes to be made.

The Young Leaders agreed that these institutions should not be permitted to obstruct Commonwealth countries in developing their preferred political structures and social systems, and they called for an end to the imposition of conditions for borrowing from these institutions which inhibited such development. In particular, the Young Leaders urged Commonwealth Heads of Government to press for changes to the lending policies of the IMF and IBRD so as not to hinder the availability of finance for human development, anti-poverty projects, and projects directed specifically at reducing the high incidence of youth unemployment.

(*c*) The Young Leaders agreed on the need to make the policies whereby aid is disbursed by international agencies more responsible to the needs of the developing countries. In particular they felt that more aid should be in grant form. They also recommended that developing countries give priority to projects which would benefit the people, especially the youth. They believed that this objective might be facilitated initially if bilateral arrangements were reformed with the basic objective that aid should result in an eventual end to aid, with dependency on aid being eliminated.

(*d*) The Young Leaders noted that the aspirations of developing countries in particular were being constrained by the heavy burdens of debt and debt servicing requirements. They noted further that projects funded from international aid were often not completed before repayment requirements commenced. The Young Leaders therefore recommended that Commonwealth Heads of Government give urgent attention to the need for re-scheduling, restructuring or writing-off of existing debts incurred by the developing countries.

(*e*) The Young Leaders also agreed that progress toward a New International Economic Order was threatened by the erection of new trade barriers, and that continuing high levels of protection could prevent the alleviation of youth unemployment in Commonwealth countries.

They considered that the developed Commonwealth countries should give special access to products from the developing countries although they recognised that such access must be considered in the context of those countries' overall production and trade policies. The Young Leaders agreed, however, that the developed countries should concentrate on producing those goods which were most appropriate in the context of the need to increase the production capability of developing countries. The developing countries should seek to co-operate on a regional basis in the production processes, particularly of manufacturing goods. Commonwealth Heads of Government were urged to give attention to these objectives, and to incorporate plans for structural adjustment of industries where necessary when developing national industrial goals, in order to promote the expansion and diversification of industry, agriculture and trade.

(*f*) The Young Leaders referred also to the need to promote an effective international code to govern world trade in technology, particularly with respect to problems of ownership, control, use, taxation, financial flows, accounting procedure, utilisation of research and development funds, and transfer pricing. They agreed that in so far as competence lay with Governments, technology transfers should take place between countries to their mutual advantage, complementing the development of indigenous technology.

In conclusion, the Young Leaders expressed the hope that Commonwealth Heads of Government, when considering the matters described above, would agree that their Governments should take appropriate action in the international negotiations in which they are involved on these issues, and the Young Leaders pledged the support of their organisations accordingly.

Political constraints within the Commonwealth affecting the achievement of a New International Economic Order

The Young Leaders acknowledged that an overriding political factor in the Commonwealth affecting advances towards a New International Economic Order is the situation in Southern Africa. They therefore believed that they should address themselves to Heads of Government through the Commonwealth Secretary-General on this issue. Young Leaders believed that the continued existence of forms of colonialism, neo-colonialism, imperialism and oppression—in particular the institutionalised racism practised in Southern Africa—constituted a major obstacle to the final achievement of a New International Economic Order, and the enhanced employment prospects for youth, particularly in Southern Africa, which a new order could provide. They noted that the recent Meeting of the Commonwealth Southern Africa Committee would be the last such meeting to take place before Heads of Government convene in Lusaka in August 1979. The Young Leaders considered the following statement which was issued by the Committee at the conclusion of its Meeting on 19 March, 1979, in London:

"This Commonwealth Committee on Southern Africa, meeting in Marlborough House, London today (19 March) discussed the situation in Rhodesia. The Committee condemned the proposal to hold illegal elections on 20 April. It believed that these elections could not produce majority rule, and that they are not intended to do so. The Committee was appalled by the continuing bloodshed in Rhodesia and neighbouring countries and concluded that the proposal for these fraudulent elections could lead to a further widening of the conflict brought about by the illegal régime. It felt that a cease-fire agreed upon by all the warring parties was a necessary first step to any enduring settlement.

The Committee called on all governments to refrain from sending observers or from any other action that might give any semblance of legitimacy to the elections which are an exercise in mass deception.

The Committee asked the Secretary-General to bring to the notice of the international community the true nature of the arrangements embodied in the new illegal constitution which is calculated to entrench the political and military power of the white minority in Rhodesia."

The Young Leaders fully endorsed this Statement. They further noted that since the Meeting of the Southern Africa Committee, a fraudulent election had in fact taken place. They requested the Commonwealth Secretary-General to take note of their views that the new illegal régime should be denied Commonwealth recognition in any form and they pledged their support to Heads of Government to continue to do all in their power to assist in the creation as soon as possible of a free and independent Zimbabwe.

ENERGY

Memorandum by the Government of Fiji

The problems faced by Fiji and our neighbouring Pacific islands in providing energy at a reasonable cost are similar to those of other developing Commonwealth countries though perhaps exacerbated by our extreme dependence upon imported oil and the high cost of shipping it. In the Pacific islands, commercial energy consumption since 1950 has increased at an average rate of 11 per cent per year compared to 7 per cent in developing countries generally and 5 per cent for the world. Since imported refined petroleum accounts for 95 per cent of commercial energy use, our dependence upon oil exceeds that of much of the globe, consumption doubling every seven years whereas world consumption since 1950 has doubled every 14 years. During the early 1970s petroleum fuel imports were about 5½ per cent of Fiji's GDP compared to 8 per cent from 1974–78 and, no doubt, rather more this year.

2. As in most countries, efforts have been made since 1974 to conserve fuel and to exploit indigenous energy resources in order to reduce dependence upon costly and increasingly uncertain oil supplies. In 1978 Fiji consumed about 780 thousand tonnes of coal equivalent (1300 KG/Capita) of which half was imported and commercial (oil, LPG, and coal) and half was local and non-commercial (bagasse and wood). Unfortunately, however, oil imports account for 90 per cent of local electricity production and nearly all our road, air, and sea transport fuel.

3. We have attempted to contain growth in petrol use through restrictions on engine size, import quotas, high vehicle import duties, and steadily increasing duty on petrol itself. As a result, sales were static from 1973 through 1976 but have risen rapidly since then. Currently we are constructing a F$80 million hydro-electric scheme which will provide two-thirds of national electricity demand by 1982, making better use of bagasse in sugar mills, beginning very preliminary assessments of geothermal and wave energy potential, and conducting small-scale experiments in wind-powered electricity generation, solar water-heating, solar drying, charcoal production, improved wood stove design and mini-hydro development. Recently a general purpose inter-island ship was constructed with auxiliary sail to save fuel and a detailed report on domestic rural energy consumption and potential completed. In 1976 income tax legislation was amended providing substantial allowances for enterprises utilising a local energy source or reducing petroleum consumption. Being a major sugar producing country, we also plan to assess sugar-based ethanol as a partial replacement for petrol.

4. It cannot be said that any of the above policies or activities have had a measurable impact on total fuel imports, the overall pattern of energy use, or energy supplies to rural communities though hydro-electric development will soon do so. Similar conclusions would probably be true for most countries represented here, the outlook is not optimistic and we cannot afford F$20 per barrel oil without seriously jeopardising our national development objectives.

5. This is clearly an area requiring international co-operation. Within the Pacific islands, the South Pacific Bureau for Economic Co-operation is being asked to establish a regional alternative energy programme and to monitor with CFTC help the terms under which we buy oil. Within the Commonwealth community there have been two workshops on energy arising from the Sydney Heads of Government Regional Meeting and the Commonwealth Science Council has been trying to implement a Caribbean regional alternative energy programme.

6. However, the funding for these activities is generally limited and there may be a tendency to cover too much ground resulting in good analysis but no

effective action. Therefore it is suggested that the Commonwealth arrange a programme of studies, consultancies, and information exchange concentrating on one, or at most two, concrete energy problems shared by member countries where:

(*a*) the problem is of national importance;

(*b*) solutions utilise widely available local resources;

(*c*) current non-esoteric technical solutions are available; and

(*d*) the technology is of sufficiently small scale to be suitable for use within developing Commonwealth countries.

Two possible areas meeting these criteria are suggested:

(*a*) measures to reduce imports of petroleum for vehicle transport. This could concentrate on production of liquid fuels from local bio-mass such as cassava, cellulose chips, wood, molasses, etc.; and

(*b*) measures to help the rural majority meet basic domestic energy needs while conserving wood and reducing kerosene use. This could include a programme for replacing kerosene with substitute fuels manufactured on a small scale from local bio-mass, development of cheap efficient wood and charcoal stoves, and possibly bio-mass farms for growing fuel for small-scale electricity generation.

Commonwealth Secretariat
Marlborough House
London SW1
July 1979

COMMONWEALTH FILM AND TELEVISION INSTITUTE

MEMORANDUM BY THE GOVERNMENT OF THE REPUBLIC OF CYPRUS

In May 1978, the first Commonwealth Communications Symposium was held in Cyprus and was attended by 100 delegates, including directors of government information offices, Press Counsellors, directors of broadcasting and film organisations, journalists and other specialists from 24 Commonwealth countries. The Symposium received letters of support from the Heads of many Commonwealth countries and the Commonwealth Secretary-General. A number of important Commonwealth institutions were represented, including the Commonwealth Secretariat, the Commonwealth Broadcasting Association and the Commonwealth Institute.

2. Amongst the matters considered by the Symposium was a proposal by Cyprus to establish a Commonwealth Film and Television Institute (CFTI) with the following aims:

(i) the Institute is to encourage the development of the art of film throughout the Commonwealth, to promote its use as a record of contemporary life, to foster the study and appreciation of films for television and television programmes generally, and to encourage the best use of television;

(ii) to organise or encourage Commonwealth film festivals and to act as liaison between countries, non-governmental organisations, television corporations, and committees or other interested bodies or persons for the success of such film festivals;

(iii) to develop a Commonwealth Film Library to form a comprehensive collection of significant Commonwealth films; to arrange for the loan and exhibition of films from this Library to Commonwealth film societies;

(iv) to act as liaison between Commonwealth countries and foreign film festivals and to promote the participation of Commonwealth films in foreign festivals and if required to secure the participation of foreign films in Commonwealth film festivals;

(v) to act as adviser to Commonwealth film and television societies;

(vi) to organise training programmes for Commonwealth film makers and to liaise for exchange visits of film makers from one Commonwealth country to another;

(vii) to help secure places in film schools and obtain scholarships for Commonwealth students wishing to study the art of film;

(viii) to liaise for the distribution of commercial Commonwealth films within the Commonwealth;

(ix) to liaise with Commonwealth television organisations for the programming of Commonwealth programmes and to be responsible for the traffic of films or programmes from one television organisation to another;

(x) to organise or to promote exhibitions of visual arts such as photography throughout the Commonwealth;

(xi) to initiate, produce or organise the production of Commonwealth films. To give financial aid to Commonwealth film producers especially in the less developed countries to facilitate their production of films.

3. The proposal received unanimous support from all the delegates including the representative of the Commonwealth Secretariat and a Working Group was set up "with a view to establishing a Commonwealth Film and Television Institute". The Working Group designated itself as an *Organising Committee* with the following membership:

Chairman:	Sir David Hunt, KCMG, OBE, Chairman of the Symposium and Chairman of the Commonwealth Institute
Deputy Chairman:	Keith Lucas, former Director of the British Film Institute
Co-ordinator and Managing Director:	George Lanitis, Counsellor (Press), Cyprus High Commission, London, who was also Co-ordinator of the Symposium
Members:	Alva Clarke, Secretary-General of the Commonwealth Broadcasting Association Sir Paul Scoon, GCMG, OBE, Governor-General of Grenada Robert Dubberley, Cultural Co-ordinator of Festival '78, Edmonton, Canada Lawrence K. E. Scott-Emuakpor, Federal Director of the Federal Ministry of Information of Nigeria B. B. Iyer, Counsellor (Press), India High Commission, London.

4. Encouraged by the fact that a big majority of Commonwealth countries from all regions of the Commonwealth responded favourably to the idea of a Commonwealth Film and Television Institute the Government of Cyprus decided to offer land in Cyprus for its establishment.

5. The Committee of the CFTI has already applied to the Commonwealth Foundation for a grant. The Trustees of the Foundation at their meeting of 8 December, 1978, agreed to offer an award of £4,000 as a contribution towards the initial secretarial and other expenses involved in establishing the Commonwealth Film and Television Institute. The financial implications of setting up the CFTI are being studied by the Organising Committee in consultation with the Commonwealth Foundation and the Commonwealth Art Committee.

6. Commonwealth Heads of Government may wish to give at this stage their blessing to the establishment of the CFTI in Cyprus.

Commonwealth Secretariat
Marlborough House
London SW1
July 1979

HOUSING, URBANISATION AND ENVIRONMENT: THE TASK AHEAD

MEMORANDUM BY THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

The deterioration and degradation of the environment is not a phenomenon peculiar to industrialised countries only. In the developing countries there has been, and still exists, a misuse and degradation of physical resources on a vast scale.

2. Many developing countries are faced with such problems as urban poverty and unemployment, inadequacy of housing and urban infrastructure, and the rapid growth of population leading to congestion and squalor.

3. Development effort should be directed towards rapid growth and a reduction of the number of people living in absolute poverty. Specific programmes must be drawn up to alleviate the conditions of the poorest of the poor.

4. The provision of minimum basic facilities which will enable man to have a house of his own satisfies a fundamental human need and acts as a catalyst in economic and social work.

5. In Sri Lanka *A Village Reawakening Movement* has been started. Villages where the lowliest and humblest live are selected and an effort is made to provide all the basic facilities, ranging from a house to clean water and electricity. Houses are built on a self-help basis and efforts are made to provide employment.

6. In the urban areas it is sought to rebuild shanty towns by the provision of facilities which make a decent life possible.

7. The time has now come for consideration to be given to the problem of man and his home. It is proposed that the Commonwealth Secretariat should identify the magnitude of the problem, examine the potential for technical support, and draw up an estimate of the required external support for a programme of action. In addition there is the need to identify the mechanisms for utilising available indigenous resources.

Commonwealth Secretariat
Marlborough House
London SW1
July 1979

HGM (79) 19

PROBLEMS AND PROSPECTS FOR SOCIO-ECONOMIC DEVELOPMENT OF SMALL DISADVANTAGED ISLAND DEVELOPING ECONOMIES

MEMORANDUM BY THE GOVERNMENT OF TONGA

Preface

The thoughts, ideas and programmes of action outlined in this paper are not entirely new inasmuch as many of them have found expression in one form or another in earlier studies at the national level, regional levels, the Commonwealth Secretariat, the UN, etc., and have also been voiced in the deliberations at regional and international forums. Yet very little has been done so far in evolving any concerted concretised and dynamic plan of action at the bilateral regional and international levels to foster the socio-economic development of the seriously disadvantaged and economically weaker island states. The paper, therefore, briefly attempts to focus the special problems of such states for consideration by the Commonwealth Heads of Government Meeting in Lusaka. Effective manifestation of the " Commonwealth spirit " could provide the much needed hope and urgent assistance to the aforesaid countries to become meaningful partners in forging a new international economic order in the coming decades.

Introduction

2. The previous deliberations and discussions in evolving any action plan have invariably been bogged down on definition of smallness of a country for eligibility for assistance. How " small " is to be considered as " small " has been debated extensively but inconclusively. By area, for example, Singapore is as small as Tonga. Factors like population and GDP also did not provide meaningful clues to the true economic pulse of the nations in question though data on the above delighted the statisticians. Of the 40 members of the Commonwealth, 10 small sovereign island nations (including Kiribati) could be identified as having populations ranging from about 6,000 in Tuvalu to 183,000 in Solomon Islands. The coming decade will doubtless see significant addition to the list as more and more of the dependencies/colonies gain their independence and join the comity of nations and as full members of the Commonwealth. The GDP *per capita*, 1976, (as per UN statistics) ranges from US$121 to US$6,658 as between " small " island economies including dependencies and non-members of the Commonwealth; the range and disparity is too wide to be of any real help in evolving a selective approach. Also, in the final analysis, in the case of small nations, GDP is no reliable indicator of a nation's economic stamina or viability in terms of future growth. There are many instances of fragile mono-crop economies without the much needed economic stability. Tonga is at once such an instance in point. Incidentally, UN has recorded Tonga's *per capita* GDP (for 1976) as US$428 as against the figure of US$300 recorded by the Commonwealth (for 1974).) Truly, the *per capita* economic growth could have hardly accelerated from US$300 to US$428 in two years' time throwing serious doubts on the reliability of available data. The same could be true of other small states which have invariably lacked the sophisticated expertise needed in a correct and realistic computation of their GDP.

3. There are certainly many other valid and relevant criteria which would at once qualify the smaller island states for special multilateral assistance besides more intensified bilateral ones. This aspect was clearly stressed by Tonga and recognised at UNCTAD V at Manila recently while considering specific measures to assist island developing countries. The emphasis was unmistakably on small island states to assist them " in particular those which suffer handicaps due especially to smallness, remoteness, constraints in transport and communications,

great distance from market centres, highly limited internal markets, lack of marketing expertise, low resources endowment, lack of natural resources, heavy dependence on a few commodities for the foreign exchange earnings, shortage of administrative personnel and heavy financial burdens ". (See UNCTAD V Resolution No. TD/L/170 dated 1 June, 1979.)

4. Tonga truly typifies a nation which has to reckon with all the aforecited handicaps and overcome them if it is to sustain, much less foster, its economic growth. Besides the above, the social and economic strains of imparting education and training to the people in the absence of higher education and training facilities in countries such as Tonga further aggravate the problem for the nations' development planners.

Problems in their perspective and possible action

(a) Diversification of economy

5. There is an imperative need for moving away from a mono-crop, and consequently a fluctuating and fragile economy through expansion in the agriculture and farming sectors. There is a simultaneous need to foster industries (small-scale and medium) establishing a clear and close linkage between agriculture and industry. Efforts in these directions undoubtedly need greater capital inflow, transfer of appropriate technology, availability of expertise and skill to husband the resources towards greater economic productivity as also for concurrent development of infrastructure facilities. In the absence of these, economic stagnation and eventual retrogression would be inevitable. Substantial bilateral and multilateral assistance is inescapable in this regard.

(b) Development of export trade

6. Most of the states under discussion in this paper suffer from very limited domestic/hinterland markets for their products. Expansion of production either in the agricultural or industrial sector have to contend with the serious problem of economies of scale. Production and employment cannot be sustained unless the product of labour in any sector finds a disposable outlet. Access to external markets is overwhelmingly governed by a plethora of barriers, tariff and non-tariff, imposed by governments for reasons which can hardly stand the test of scrutiny when it comes to trading with small and economically depressed nations. In fact, some of the barriers are anachronistic but are being perpetuated; the Tokyo round of Multilateral Trade Negotiations which began with great hope for ushering a new global trading order has ended in disappointment to the Third World. According to GATT's Annual Report " in certain areas, the results (of MTNs) fall short of what was hoped for—one example is the very limited progress in removing specific quantitative restrictions. Developing countries especially feel that their concerns received less attention than they deserved ". In particular the MTNs have failed to provide the needed liberalisation and relief for the economically smaller weaker states to improve their export trade. There is an imperative need to continue the negotiations.

7. On grounds of equity, a ground rule needs to be established in that the developed countries should allow barrier-free access to products of smaller island states at least up to the level the former countries are exporting to the latter. Financial and technical aid without " Trade aid " will only increase the frustration of the economically disadvantaged island states. As eloquently put forth by New Zealand at UNCTAD V " Trade and development are the great engines of economic and social progress and the more even sharing of wealth in a more prosperous world ". It is anachronistic to talk in terms of protectionism in an interdependent world. The idea of a free trade regional agreement recently accepted by the leaders of the South Pacific Forum countries offers some hope in this context.

8. On the specific question of stable and equitable trade in commodities so vital to the economies of many of the small island states, it is worth recalling the

resolution adopted by UNCTAD IV at Nairobi three years ago establishing an integrated programme for commodities, with a Common Fund as its core. Since Nairobi and now, while there has been agreement on the basic principles of a Common Fund, and pledging of contributions to its Second Window, a progress in respect of the integrated programme itself has been painfully minimal. The Commonwealth of Nations should urge all other member nations of the UN to finalise most expeditiously the details and agreements in regard to the implementation of the programme.

(c) Unemployment

9. Inflation and recession around the corner are bound to worsen the already serious unemployment situation faced by the small economies. The rate of employment creation in these states will be far lower and slower as compared to that in the developed economies for some decades to come. The problem could be minimised for the smaller nations through a regional " sharing " of job opportunities. This measure should be clearly recognised as a purposeful strategy to foster an equitable economic order and a concrete form of " economic assistance " by the developed nations to the economically underdeveloped nations.

10. Redeployment/relocation of labour-intensive industries from the developed states in favour of the developing ones is yet another means of giving concrete shape to the concept of interdependence in combating the global problem of unemployment. Much is being talked about it yet hardly anything has been done to translate the thought into action. The idea is not only a mutually beneficial one but will help also in arresting inflationary trends to a measure. The production costs could be lowered substantially by utilising the low cost labour available in the underdeveloped countries.

(d) Infrastructure

(i) Sea and air transportation

11. The crucial importance of transportation facilities, by sea and air, to the economies of small island states in promoting their trade, industry and tourism can hardly be overstressed. The development of modern harbours and airports and their operation call for substantial capital outlay posing a serious strain on these countries' very limited resources; to most financial institutions, investments in such development would seem economically unviable from a purely commercial outlook. Therefore, unless more liberal bilateral assistance is forthcoming in developing the above facilities the countries will continue to remain in a state of economic backwardness.

12. There is a growing recognition that more frequent and regular shipping and air services are a *sine qua non* for promoting trade and tourism of the small island countries. Not all island countries are in a position to found and operate their own shipping/airlines. But the problem could be effectively tackled on a regional basis. Yet, there is a fundamental aspect which governs the viability of these services *viz.* adequacy of cargo and passengers which are linked with production and market access, infrastructure facilities to facilitate increased tourist flow, etc.

(ii) Inland transport

13. Many of the small island states are financially in no position to divert their scarce resources to developing roadways and a modern and efficient road transport system. As projects such as this do not have the potential of showing " direct " earnings, aid donors tend to shy away from financing their cost. The developed countries should come forward to remedy this situation.

14. Governments of small archipelagic countries frequently have to subsidise feeder and inter-island transport services either through direct grants or underwriting arrangements. External assistance is needed to help finance any such subsidy schemes. An Expert Group convened by the UN in 1977 to consider feeder and inter-island services for developing countries got bogged down on the

great distance from market centres, highly limited internal markets, lack of marketing expertise, low resources endowment, lack of natural resources, heavy dependence on a few commodities for the foreign exchange earnings, shortage of administrative personnel and heavy financial burdens". (See UNCTAD V Resolution No. TD/L/170 dated 1 June, 1979.)

4. Tonga truly typifies a nation which has to reckon with all the aforecited handicaps and overcome them if it is to sustain, much less foster, its economic growth. Besides the above, the social and economic strains of imparting education and training to the people in the absence of higher education and training facilities in countries such as Tonga further aggravate the problem for the nations' development planners.

Problems in their perspective and possible action

(*a*) *Diversification of economy*

5. There is an imperative need for moving away from a mono-crop, and consequently a fluctuating and fragile economy through expansion in the agriculture and farming sectors. There is a simultaneous need to foster industries (small-scale and medium) establishing a clear and close linkage between agriculture and industry. Efforts in these directions undoubtedly need greater capital inflow, transfer of appropriate technology, availability of expertise and skill to husband the resources towards greater economic productivity as also for concurrent development of infrastructure facilities. In the absence of these, economic stagnation and eventual retrogression would be inevitable. Substantial bilateral and multilateral assistance is inescapable in this regard.

(*b*) *Development of export trade*

6. Most of the states under discussion in this paper suffer from very limited domestic/hinterland markets for their products. Expansion of production either in the agricultural or industrial sector have to contend with the serious problem of economies of scale. Production and employment cannot be sustained unless the product of labour in any sector finds a disposable outlet. Access to external markets is overwhelmingly governed by a plethora of barriers, tariff and non-tariff, imposed by governments for reasons which can hardly stand the test of scrutiny when it comes to trading with small and economically depressed nations. In fact, some of the barriers are anachronistic but are being perpetuated; the Tokyo round of Multilateral Trade Negotiations which began with great hope for ushering a new global trading order has ended in disappointment to the Third World. According to GATT's Annual Report "in certain areas, the results (of MTNs) fall short of what was hoped for—one example is the very limited progress in removing specific quantitative restrictions. Developing countries especially feel that their concerns received less attention than they deserved". In particular the MTNs have failed to provide the needed liberalisation and relief for the economically smaller weaker states to improve their export trade. There is an imperative need to continue the negotiations.

7. On grounds of equity, a ground rule needs to be established in that the developed countries should allow barrier-free access to products of smaller island states at least up to the level the former countries are exporting to the latter. Financial and technical aid without "Trade aid" will only increase the frustration of the economically disadvantaged island states. As eloquently put forth by New Zealand at UNCTAD V "Trade and development are the great engines of economic and social progress and the more even sharing of wealth in a more prosperous world". It is anachronistic to talk in terms of protectionism in an interdependent world. The idea of a free trade regional agreement recently accepted by the leaders of the South Pacific Forum countries offers some hope in this context.

8. On the specific question of stable and equitable trade in commodities so vital to the economies of many of the small island states, it is worth recalling the resolution adopted by UNCTAD IV at Nairobi three years ago establishing an integrated programme for commodities, with a Common Fund as its core. Since Nairobi and now, while there has been agreement on the basic principles of a Common Fund, and pledging of contributions to its Second Window, a progress in respect of the integrated programme itself has been painfully minimal. The Commonwealth of Nations should urge all other member nations of the UN to finalise most expeditiously the details and agreements in regard to the implementation of the programme.

(*c*) *Unemployment*

9. Inflation and recession around the corner are bound to worsen the already serious unemployment situation faced by the small economies. The rate of employment creation in these states will be far lower and slower as compared to that in the developed economies for some decades to come. The problem could be minimised for the smaller nations through a regional "sharing" of job opportunities. This measure should be clearly recognised as a purposeful strategy to foster an equitable economic order and a concrete form of "economic assistance" by the developed nations to the economically underdeveloped nations.

10. Redeployment/relocation of labour-intensive industries from the developed states in favour of the developing ones is yet another means of giving concrete shape to the concept of interdependence in combating the global problem of unemployment. Much is being talked about it yet hardly anything has been done to translate the thought into action. The idea is not only a mutually beneficial one but will help also in arresting inflationary trends to a measure. The production costs could be lowered substantially by utilising the low cost labour available in the underdeveloped countries.

(*d*) *Infrastructure*

(*i*) *Sea and air transportation*

11. The crucial importance of transportation facilities, by sea and air, to the economies of small island states in promoting their trade, industry and tourism can hardly be overstressed. The development of modern harbours and airports and their operation call for substantial capital outlay posing a serious strain on these countries' very limited resources; to most financial institutions, investments in such development would seem economically unviable from a purely commercial outlook. Therefore, unless more liberal bilateral assistance is forthcoming in developing the above facilities the countries will continue to remain in a state of economic backwardness.

12. There is a growing recognition that more frequent and regular shipping and air services are a *sine qua non* for promoting trade and tourism of the small island countries. Not all island countries are in a position to found and operate their own shipping/airlines. But the problem could be effectively tackled on a regional basis. Yet, there is a fundamental aspect which governs the viability of these services *viz.* adequacy of cargo and passengers which are linked with production and market access, infrastructure facilities to facilitate increased tourist flow, etc.

(*ii*) *Inland transport*

13. Many of the small island states are financially in no position to divert their scarce resources to developing roadways and a modern and efficient road transport system. As projects such as this do not have the potential of showing "direct" earnings, aid donors tend to shy away from financing their cost. The developed countries should come forward to remedy this situation.

14. Governments of small archipelagic countries frequently have to subsidise feeder and inter-island transport services either through direct grants or underwriting arrangements. External assistance is needed to help finance any such subsidy schemes. An Expert Group convened by the UN in 1977 to consider feeder and inter-island services for developing countries got bogged down on the

form a subsidy might take and the sources from which funds for the subsidy were to be found. Therefore, a global scheme for all developing countries may not be possible. Considering the importance of the problem, the developed nations of the Commonwealth should stand ready to consider such requests from small disadvantaged island states.

(*e*) *Natural disasters*

15. Small island nations are often subject to natural disasters which have crippling effects on the economies of these countries. While no nation can successfully battle against nature to prevent such disasters, the effects thereof could certainly be minimised. The scope for setting up regional or inter-regional disaster insurance and relief schemes should be explored.

(*f*) *Form of aid and assistance procedures*

16. Because of the constant state of vulnerability of the economies of small island states and their inability to generate adequate growth to repay development loans, bilateral financial assistance to such countries should be in the form of " aid " and not loans; corollarily, all outstanding loan repayments need to be waived.

17. Most of the developed countries are yet to step up their aid to the level recommended by the UN *viz.*, 0·7 per cent of their GNP. In fact, in most cases, the quantum of aid given by the developed countries falls far short of the UN target resulting in the economic stagnation of many of the less developed countries. It is not only necessary that capital aid for development be stepped up urgently but any future aid programme must include an element of special assistance to smaller disadvantaged island states to overcome the crippling effect of escalating fuel prices in all possible ways.

18. Aid procedures should be simplified so as to lighten the burden of administration on the part of recipient countries. It is also important and essential that aid should be " untied " giving enough scope for the recipient countries to procure equipment, materials, services and appropriate technology from sources other than the donor countries wherever considered advantageous and more suitable to the economies of the recipient countries. Such a step is warranted by the economic realities of the recipient states apart from " need based " considerations and cost savings. Many developing countries of the Commonwealth have developed the type of expertise and technology needed by other less developed countries.

(*g*) *Special fund for economic development of small disadvantaged island countries*

19. The recent recommendation made at the Bangalore meeting of Commonwealth Industry Ministers in March 1979 to create an Industrial Development Unit within the CFTC with a suggested funding of £5 million for a three year programme initially is a welcome measure symbolising collective effort to assist the developing countries of the Commonwealth. Offers of technical assistance made by some of the developing countries like India at the aforesaid meeting deserve to be welcomed and appreciated. Economic co-operation among developing countries as a programme, needs to be further strengthened in co-operation with the developed countries.

20. However, considering the magnitude of the problems and the many handicaps faced by the disadvantaged small island countries and the need for a greater degree of financial assistance to meet the developmental needs of a number of vital economic sectors, the creation of a Commonwealth Fund for Economic Development and Reconstruction would prove a positive step during the coming decade. (A similar fund has been created by the UN in favour of landlocked countries but has not got off the ground for want of generous contributions by developed countries.)

Conclusion

21. In his inspiring address before UNCTAD V, Prime Minister Fraser had this to say: " There is a considerable—and perhaps unprecedented—degree of interdependence among the countries of the world today. But that interdependence is not something to rest on—it is something to build on." The call for strengthening such interdependence and co-operation could not have been made more forcefully.

22. It is time therefore that this spirit of interdependence should be developed to manifest itself dynamically and the international community, more particularly the developed nations of the Commonwealth, encouraged to recognise and give serious thought to the special problems, handicaps and developmental needs of the smaller, economically fragile and disadvantaged island states and formulate a substantial new programme of action for the 1980s. Such a programme should aim at alleviating the effects of their natural handicaps and correcting the structural characteristics like low agricultural productivity and weak agricultural support institutions, extremely low level of exploitation of natural resources, very limited development of manufacturing industry, unsatisfactory export trade and consequential precarious balance of payments situation, acute scarcity of skilled and managerial personnel at all levels, inadequate institutional and physical infrastructure of varied kinds, proneness to natural calamities and last but not the least significant, their smallness and remoteness. It is through the implementation of such a programme that these island states could be enabled to become real " partners in progress " and in the evolution of a just and stable new international economic order so essential for global peace.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
July 1979

THE MEDITERRANEAN

Memorandum by the Government of Malta

Since 1971 the Government of Malta has pursued a foreign policy motivated by the immeasurable advantages to world peace and security if Mediterranean peace and security were ensured. Today, the grave international implications of the situation in the Mediterranean are increasingly becoming more precarious. The Commonwealth should not only be better informed of the previous regional and international structures lending stability to the Mediterranean, but also how these weakening structures are now posing a threat to global harmony.

2. The loose relinquishing of its Palestine mandate by the British Imperial Government had permitted a costly strife for territory by Palestinian Arabs and Jews. With the loss of Palestine more and more Arabs gradually identified the Palestinian cause as a rallying point for the Arab nation. But it was Europe's substitution by US interests in ensuring cheap oil supplies from the region which introduced an expensive degree of regional and international stability.

3. Erosion of this stability, however, began once the US became preponderant in the Gulf area, and Middle East oil enabled its economy and military capacity to expand to such an extent that its survival without that slippery commodity became questionable.

4. To keep the main source of supply open, a not inconsiderable part of US military might has been handed as a gift to the Israelis who now hold a novel strategic position in the region as a whole. This also disconcerted other friends, particularly Iran and some Arab Gulf States who had enabled the US to enjoy greater influence in the area than the Soviet Union.

5. Originally the super-power balance in the Mediterranean depended on their joint and stealthy usurpation of European interests. But recent political and economic shocks suffered by the US have altered the situation to such an extent that military intervention to keep Middle East oil flow westwards is no longer excluded. Moreover, the patching-up exercise with Egypt which has isolated that country from the vast majority of Arab States, has far from compensated for the destabilising changes in Iran and other countries. Even Saudi Arabia, traditionally an open supporter of Western interests, now urges the US to change course and advises a reconvening of the Geneva Peace Conference in the search for a durable solution.

6. Although on the other hand Western European oil requirements have gradually upgraded the significance to them of recognising the rights of the Palestinians, they still give sufficient support to Israel to permit it to defy world opinion and UN resolutions with impunity. It is unreasonable to expect the Arabs to go on suffering the humiliating consequences of this policy. In order to protect themselves against the aggressive and militant Israelis, part of the Arab world has openly befriended the Soviet Union. Can the latter ignore this opportunity to extend its influence in this region?

7. The clearly reluctant attempts by both super-powers to seek a genuine Middle East solution merely underlines the depth of their vested interest there. It is for others, particularly the Europeans, to rack their brains and devote their energies in search of a just and durable settlement of the Palestinian problem.

8. Europe, its strength dissipated after the Second World War, and harassed by the two super-powers has so far watched developments in the Middle East somewhat impotently. Until the effect of war had kept Europe a recipient of

American aid there was little Europe could do to influence world events, even those that were happening around her and determining her future. But Europe is now a land of plenty and could, if it willed, re-acquire a say in global affairs.

9. Indeed there is an imperative need now for Europe to take an active role in the Middle East. There are, it is true, signs of a slow European awakening to the reality of the situation in this region. European states are now far more aware of the injustices suffered by the Palestinians in their quest for a homeland and an internationally recognised state. But greater efforts and greater independence are still lacking.

10. Malta has repeatedly advocated to Europeans and Arabs that a stronger Europe depends on recognition of Palestinian rights and that, conversely, a unified Arab nation would be strengthened by closer co-operation with Europe. Only thus will that necessary degree of independence from super-powers be achieved, the re-imposition of an exclusive super-power settlement of the region avoided, and peace and stability in the Mediterranean restored.

11. More open Commonwealth support before the forthcoming session of the General Assembly, for the recommendations of the UN Committee on the Exercise of the Inalienable Rights of the Palestinian People, which Malta has served as a rapporteur since its inception, would be conducive to a Euro-Arab *i.e.* a Mediterranean solution.

12. Naturally, a more direct approach by individual Commonwealth countries with Arab and European states on the principles outlined above would be more fruitful. The Commonwealth association, composed as it is of nations both poor and rich, developing and developed, would set an admirable example to the rest of the international community by such an unequivocal stand. It will certainly earn the respect and lasting friendship of the Arab nation.

13. None of us has forgotten the repercussions of the Yom Kippur war. Restricted and dearer oil supplies had hurt both developing and developed countries. But the outbreak of another war with super-power involvement would now certainly wreck the national independence and sovereignty which we all cherish.

14. Unless there is a solution to the Palestinian problem there is a real danger of global conflict. The Commonwealth association should therefore strive to reduce tension in the Mediterranean region by encouraging efforts for a fully comprehensive solution. The Heads of Government should urge Europe and all parties concerned to prepare the ground for a just and durable peace in the Middle East, thus ensuring peace and security in the Mediterranean and throughout the world.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August 1979.

COMMUNICATION AND THE MEDIA IN THE COMMONWEALTH

Memorandum by the Delegation of Australia

In recent years there has been increasing interest shown in the international communications structure. The debate on the new world information and communication order has been concentrated in such bodies as the UN General Assembly, UNESCO and the Non-Aligned Movement. The Commonwealth has not, to date, been the focus of any particular inter-governmental activity in this field. The Commonwealth however offers a unique framework in which the different perspectives of developed and developing countries on the question of communication and the media might be examined. In view of the role the Commonwealth could play in this matter the Australian Delegation would like to propose that consideration be given to the following proposals:—

1. A select committee of Commonwealth countries be constituted to identify the most pressing communication/media problems and needs of developing Commonwealth countries in particular as the basis for the determination of regional and national communications priorities. Topics for discussion and recommendation by the working group could cover:

   improving communications infrastructures in developing countries in the physical and technical sense. Particular attention could be given to rural broadcasting and its links with agricultural extension programmes, the development of national news agencies, the adequacy of technical communications networks in the sense both of national coverage and of linkages with contiguous or regional countries;

   facilitating the transfer of communications technology and expertise: this might involve identification of training needs of personnel at the technical executive as well as managerial level, the formulation of appropriate training programmes and identification of opportunities for Commonwealth co-operation in the provision of training;

   designing possible mechanisms to make international experience in journalism available to personnel from developing Commonwealth countries: this could include exchanges between media organisations as well as governmental information services. The select committee would conduct its work in close consultation with professional press, broadcasting and film associations;

   the Secretary-General could be asked to make proposals on the size and composition of the committee but we would see it as being a cross-section of all regions and levels of development within the Commonwealth. We would also leave to the Secretary-General the task of amplifying the terms of reference of the select committee.

2. In an effort to increase practical co-operation and the development of communication and media links, it is suggested that a Commonwealth media exchange scheme be introduced to which countries might pledge voluntary awards per year. These would enable journalists from Commonwealth countries to visit developed or developing country members of the Commonwealth.

2. The Commonwealth Foundation has already contributed assistance in a number of media related fields as part of its programme to extend assistance to the professions. It has provided assistance for the Commonwealth Broadcasting Conference, for the Commonwealth Press Union and for other media activities and could appropriately co-ordinate expanded Commonwealth contacts in the media field.

Commonwealth Secretariat
Mulungushi Hall
Lusaka
August 1979.

AGENDA

NOTE BY THE CONFERENCE SECRETARY

Heads of Government have adopted the following Agenda:

1. OPENING SESSION

2. ORDER OF AGENDA AND FORMAT
[Secretary-General's letter of 19 June]

3. INTERNATIONAL DEVELOPMENTS

(*a*) *World Political Scene*

[Commonwealth Ministerial Committee on Belize—HGM (79) 8]

(i) *The Mediterranean*

[The Mediterranean—Memorandum by the Government of Malta—HGM (79) 20]

(*b*) *South East Asia*

(*c*) *Southern Africa*

[Report of the Commonwealth Committee on Southern Africa June 1977–June 1979—HGM (79) 10]

(*d*) *World Economic Situation and Prospects*

[Background paper by the Secretariat—HGM (79) 11]

[Energy—Memorandum by the Government of Fiji—HGM (79) 16]

4. COMMONWEALTH CO-OPERATION

[Seventh Report of the Commonwealth Secretary-General]

[Communication and the Media in the Commonwealth—Memorandum by the Delegation of Australia—HGM (79) 21]

(*a*) *Industrial Co-operation*

[Commonwealth Programme on Industrial Co-operation—HGM (79) 12]

(*b*) *Island Developing and Other Specially Disadvantaged Members*

[A Programme of Action—HGM (79) 6]

[Problems and Prospects for Socio-Economic Development of Small Disadvantaged Island Developing Economies—Memorandum by the Government of Tonga—HGM (79) 19]

(*c*) *Commonwealth Fund for Technical Co-operation*

[The Case for Growth—HGM (79) 13]

[Housing, Urbanisation and the Environment—Memorandum by the Government of the Democratic Socialist Republic of Sri Lanka—HGM (79) 18]

(*d*) *Commonwealth Youth Programme*

[Memorandum on the Programme—HGM (79) 7]

(*e*) *Commonwealth Foundation*

[Memorandum by the Chairman and Trustees—HGM (79) 4]

[Note by the Foundation—HGM (79) 5]

(f) *Studies Mandated by the Heads of Government Meeting 1977*

(i) *Relationships between the Official and Unofficial Commonwealth*
[Memorandum on the Advisory Committee—HGM (79) 9]

(ii) *Women and Development*
[Memorandum on Women and Development—HGM (79) 14]

(g) *Commonwealth Human Rights Commission*
[Establishment of a Commonwealth Human Rights Commission—Memorandum by the Government of The Gambia—HGM (79) 23]*

(h) *Commonwealth Film and Television Institute*
[Commonwealth Film and Television Institute—Memorandum by the Government of the Republic of Cyprus—HGM (79) 17]

5. REPORT OF THE COMMITTEE OF THE WHOLE

6. OTHER BUSINESS
[Resolutions of Ministers of Health and Commonwealth Youth Leaders—HGM (79)15]

7. COMMUNIQUE

Commonwealth Secretariat
Mulungushi Hall
Lusaka
1 August, 1979

* This Memorandum was distributed subsequent to HGM (79) 22 but is noted here for convenience.

ESTABLISHMENT OF A COMMONWEALTH HUMAN RIGHTS COMMISSION

MEMORANDUM BY THE GOVERNMENT OF THE GAMBIA*

Introduction

The Commonwealth Heads of Government on 22 January 1971, unanimously approved a Declaration of Commonwealth Principles which has become commonly known as the Singapore Declaration. In this Declaration the members of the Commonwealth pledged to hold certain basic principles in common, central among them being:

> (the belief) " in the liberty of the individual, in equal rights for all citizens regardless of race, colour, creed or political belief, and in their inalienable right to participate by means of free and democratic political processes in framing the society in which they live ";
>
> (and the pledge that) " no country will afford to regimes which practise racial discrimination assistance which in its own judgment directly contributes to the pursuit or consolidation of this evil policy. We oppose all forms of colonial domination and racial oppression and are committed to the principles of human dignity and equality ".

2. To promote and advance these beliefs the members declared not only to strengthen national activities guaranteeing personal freedom but, even more fundamental for our Commonwealth alliance, the members agreed to use all " efforts to foster human equality and dignity everywhere, and to further the principles of self-determination and non-racialism ".

3. Recalling this Singapore Declaration, the Heads of Government as recently as this past June 1977, at the Commonwealth Meeting in London, reiterated their belief in the fundamental rights of all men to life and liberty, and to those personal freedoms that are the common heritage of their peoples. They reaffirmed their belief in human dignity and the equal rights of all men. They asserted that the effective enjoyment and protection of these rights was a cause to which the Commonwealth was resolutely committed.

4. This show of support for human rights has come at a time in history when, as we all are aware, the topic is receiving almost daily attention worldwide and with good reason. As the Secretary General of the UN, Kurt Waldheim has said, " no activity is more important for the future, and yet more difficult to reconcile with the hard realities of our world, than the protection and advancement of human rights ".

5. This challenge is one to which the present gathering of Commonwealth Law Ministers should be particularly responsive. In reality, it is law that is the vital requirement for any society, and this gathering represents the law and legal institutions of the Commonwealth federation. To be an ally of society rather than an enemy, law must be responsive to the needs and problems of the people. Thus it is our responsibility here and now, in light of the qualifications we hold and the trust we bear to be responsive to the Commonwealth's commitment to human rights.

6. At the June Meeting of the Commonwealth Heads of Governments The Gambia proposed the establishment of a Commonwealth Human Rights Commission as a feasible and effective step forward in the Commonwealth's efforts to defend human rights. In greater detail The Gambia herein proposes again

* Originally circulated at the meeting of Commonwealth Law Ministers held in Winnipeg, Canada, in August 1977.

for your consideration the establishment of a Commonwealth Human Rights Commission, an institution to give legal protection to fundamental freedoms.

7. This paper presents the views of The Gambia in the area of human rights and the establishment of such a commission, focusing on two general aspects:

(*a*) need for the establishment of a Commonwealth Commission on Human Rights;

(*b*) general structure and functions of a Commonwealth Commission on Human Rights.

The need for the establishment of a Commonwealth Commission on Human Rights

8. A commitment to the protection and advancement of human rights means also a responsibility to work toward realisation of these rights.

9. The Gambia have always accepted this responsibility as a central part of our national and international policy. Our concern for human rights is built upon a sound foundation, one worth recalling for its similarity to many of the Commonwealth countries. Before independence The Gambia observed and enforced the conventions on human rights to which Britain was a party through the processes of adaptation and assimilation. Then in 1965, when the country attained independence with sovereign status within the Commonwealth, those British conventions, constitutional in character, were reduced in writing to constitute the basic and fundamental law of The Gambia. This fundamental law—the Constitution—has enshrined in it and succinctly protects basic human rights and fundamental freedoms in our democratic society. The Gambia strives continuously to pursue and enhance these rights in our own country, to ensure democratic elections, individual freedoms and fundamental rights to our people. Yet we know very well that the ideals to be attained in the area of human rights are infinitely difficult objectives requiring the fullest international co-operation.

10. A united effort is essential for a nation does not exist in a vacuum. Each of us cannot strive in isolation to build a better world. Rather nations must work together. The Commonwealth nations form a voluntary association of independent sovereign states representing diversified philosophies, politics and cultures. But we have come together sharing values and a common goal: the promotion of international understanding and world peace. We have unanimously recognised the need for the defence and advancement of human rights and dignity everywhere. What would be a more appropriate and positive step for the Commonwealth in these times of grave human rights concerns in many parts of the world than to join together in our struggles and work closely and effectively to encourage respect for human rights. As emphasised by the President of The Gambia in his address to the Commonwealth Heads of State this June, our Government " is particularly concerned about the disturbing increase in gross violations of human rights in the world and we feel that the Commonwealth ought to play its part in combating this tendency ".

11. Indeed, the Commonwealth members have already asserted in the Singapore Declaration the value of its multi-national association in the field of human rights:

> " We believe that our multi-national association can expand human understanding and understanding among nations, assist in the elimination of discrimination based on differences of race, colour or creed, maintain and strengthen personal liberty . . .".

12. We must be realistic about the increased violations of human rights in many parts of the world, including here within our Commonwealth federation. The efficacy of *ad hoc* condemnation of such violations as they arise must be seriously doubted. Let us be reminded again and again of the current atrocities being carried out in Uganda for they are too serious and outrageous a violation of basic human rights to be ignored. A newly released report submitted to the UN Commission on Human Rights by the International Commission of Jurists just this year documents human rights atrocities which must shock our consciences and threaten the very fabric of our Commonwealth principles. *(Uganda Human Rights Report of the International Commission of Jurists to the United Nations, 1977.)*

13. Indeed, the Commonwealth Heads of Government condemned these violations in strong and unequivocal terms at the June Meeting of the Commonwealth in London. But discussion and *ad hoc* condemnation alone is of questionable consequence.

14. To the individuals struggling in Uganda and in other countries within the fraternity of our enduring Commonwealth federation we owe a particular obligation. A Commonwealth Human Rights Commission would be a positive and concrete step beyond mere discussion and *ad hoc* condemnation to demonstrate our human rights stand to the world and to support those working to improve the human condition.

15. As we are all aware, on paper the position of human rights in most of our Commonwealth countries is most satisfactory. But we must admit that when we pass from the examination of written law and constitutions to that of actual practice of governments, the story is often a very different one. The missing factors are often enforcement and how the specified rights should be promoted and protected.

16. We must also be mindful that on occasions there may be wicked laws enacted by wicked men which others will enforce, making even unreasonable limitations on rights " in accordance with law " or " lawful ". In this case it is only the most naive who can go on believing that anything which is " lawful " must by definition be just. Official abuse of power through the use of forms of law will occur in this world so long as human beings can gain sufficient co-operation from some to allow them to dominate others.

17. The protection of basic human rights cannot always be left solely to nations. Human rights are universal and inalienable, owed to every individual as a member of the human community. These human rights must be defined by texts established on an international scale. The effective protection of basic human rights in many parts of the world largely depends on the institution of international arrangements for these specific purposes.

18. A Commonwealth Commission on Human Rights would serve the Commonwealth nations well as such an institution. While the beginning might be necessarily slow, its existence could foster an atmosphere of awareness and an official stand to support our peoples in their struggles. As we are all aware, especially in the international community, words of support and considered judgements on international violations by recognised international bodies are tantamount to action where individuals are struggling for basic human freedoms.

19. The Commonwealth must expand and give meaning to the fundamental principles outlined in its Singapore Declaration. It must set forth a human rights policy that is effective. In other words, the substance of a policy and the results it hopes to achieve must be set down clearly and thoughtfully.

20. Preliminary to this, however, it is necessary to set forth more clearly what the phrase " human rights " encompasses. Fundamental human rights rest on universal principles which have already been set out in a basic UN document, the Universal Declaration of Human Rights, which was adopted by the General Assembly of the UN in 1948. The preamble to this Declaration, to which we all have subscribed, proclaimed:

> " This universal declaration of human rights as a common standard of achievement for all peoples and all nations . . ."

21. There are several basic human rights recognised in this UN document. There are the rights to life, liberty, security, and integrity of the person; freedom from government violation of these rights. Included here are the right to fair

for your consideration the establishment of a Commonwealth Human Rights Commission, an institution to give legal protection to fundamental freedoms.

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The need for the establishment of a Commonwealth Commission on Human Rights

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10. A united effort is essential for a nation does not exist in a vacuum. Each of us cannot strive in isolation to build a better world. Rather nations must work together. The Commonwealth nations form a voluntary association of independent sovereign states representing diversified philosophies, politics and cultures. But we have come together sharing values and a common goal: the promotion of international understanding and world peace. We have unanimously recognised the need for the defence and advancement of human rights and dignity everywhere. What would be a more appropriate and positive step for the Commonwealth in these times of grave human rights concerns in many parts of the world than to join together in our struggles and work closely and effectively to encourage respect for human rights. As emphasised by the President of The Gambia in his address to the Commonwealth Heads of State this June, our Government " is particularly concerned about the disturbing increase in gross violations of human rights in the world and we feel that the Commonwealth ought to play its part in combating this tendency ".

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12. We must be realistic about the increased violations of human rights in many parts of the world, including here within our Commonwealth federation. The efficacy of *ad hoc* condemnation of such violations as they arise must be seriously doubted. Let us be reminded again and again of the current atrocities being carried out in Uganda for they are too serious and outrageous a violation of basic human rights to be ignored. A newly released report submitted to the UN Commission on Human Rights by the International Commission of Jurists just this year documents human rights atrocities which must shock our consciences

and threaten the very fabric of our Commonwealth principles. *(Uganda Human Rights Report of the International Commission of Jurists to the United Nations, 1977.)*

13. Indeed, the Commonwealth Heads of Government condemned these violations in strong and unequivocal terms at the June Meeting of the Commonwealth in London. But discussion and *ad hoc* condemnation alone is of questionable consequence.

14. To the individuals struggling in Uganda and in other countries within the fraternity of our enduring Commonwealth federation we owe a particular obligation. A Commonwealth Human Rights Commission would be a positive and concrete step beyond mere discussion and *ad hoc* condemnation to demonstrate our human rights stand to the world and to support those working to improve the human condition.

15. As we are all aware, on paper the position of human rights in most of our Commonwealth countries is most satisfactory. But we must admit that when we pass from the examination of written law and constitutions to that of actual practice of governments, the story is often a very different one. The missing factors are often enforcement and how the specified rights should be promoted and protected.

16. We must also be mindful that on occasions there may be wicked laws enacted by wicked men which others will enforce, making even unreasonable limitations on rights " in accordance with law " or " lawful ". In this case it is only the most naive who can go on believing that anything which is " lawful " must by definition be just. Official abuse of power through the use of forms of law will occur in this world so long as human beings can gain sufficient co-operation from some to allow them to dominate others.

17. The protection of basic human rights cannot always be left solely to nations. Human rights are universal and inalienable, owed to every individual as a member of the human community. These human rights must be defined by texts established on an international scale. The effective protection of basic human rights in many parts of the world largely depends on the institution of international arrangements for these specific purposes.

18. A Commonwealth Commission on Human Rights would serve the Commonwealth nations well as such an institution. While the beginning might be necessarily slow, its existence could foster an atmosphere of awareness and an official stand to support our peoples in their struggles. As we are all aware, especially in the international community, words of support and considered judgements on international violations by recognised international bodies are tantamount to action where individuals are struggling for basic human freedoms.

19. The Commonwealth must expand and give meaning to the fundamental principles outlined in its Singapore Declaration. It must set forth a human rights policy that is effective. In other words, the substance of a policy and the results it hopes to achieve must be set down clearly and thoughtfully.

20. Preliminary to this, however, it is necessary to set forth more clearly what the phrase " human rights " encompasses. Fundamental human rights rest on universal principles which have already been set out in a basic UN document, the Universal Declaration of Human Rights, which was adopted by the General Assembly of the UN in 1948. The preamble to this Declaration, to which we all have subscribed, proclaimed:

> " This universal declaration of human rights as a common standard of achievement for all peoples and all nations . . ."

21. There are several basic human rights recognised in this UN document. There are the rights to life, liberty, security, and integrity of the person; freedom from government violation of these rights. Included here are the right to fair

and public trials, the right to freedom from arbitrary interference with privacy or home. Violations include torture or cruel, inhuman or degrading treatment or punishment.

22. There are economic, social, and cultural rights. Included here are the fundamental rights to food, housing, medical care, education and necessary social services. We recognise that in the developing world and particularly in our own Africa the achievement of these rights may to some extent depend upon the stage of a nation's economic development. But we do not believe that such human rights in Africa should be ignored or set aside as a special case or category. For we know that such rights can be consciously violated by governments through corrupt practices that benefit a rich elite at the expense of the needy poor. Thus all governments, big or small, rich or poor, black or white should respect these rights through fair economic practices and equitable distribution of whatever resources do exist.

23. There are civil and political rights, such as the freedom of association, religion and expression, freedom to move about within and to leave and return to one's country, freedom to participate in government.

24. It is this wide range of human rights which a Commonwealth Commission on Human Rights could assist to promote. Indeed priorities in any human rights policy would need to be framed in collaboration and consultation with all member nations. But one of the most concentrated areas of concern should be the violations of the integrity of the person—such violations as officially sanctioned murders, tortures, or detentions without trial. Political and civil liberties should also be a high priority for protection.

25. Also, in the realisation of a human rights policy, one of the most important preliminary tasks of the Commission should be to encourage all member nations to ratify the several UN instruments on human rights and to support specific UN initiatives to promote basic rights in various parts of the world. Indeed, this should be a task the present gathering of Commonwealth Law Ministers should immediately assume with respect to their own governments.

26. Specifically, all members of the Commonwealth should be strongly encouraged to ratify the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the UN Genocide Convention and the International Convention on the Elimination of All Forms of Racial Discrimination. The Gambia has already initiated efforts within government towards this end.

27. As an official working human rights body within the Commonwealth, the Commission could actively pursue the goal of ratification of these international conventions by all Commonwealth members.

General structure and functions of the Commonwealth Human Rights Commission

28. The creation of a detailed proposal for the specific structure and functions of a Commonwealth Commission on Human Rights is a serious matter, calling for collaboration and consultation by all member nations. A first step might be to create a working preparatory committee representative of the Commonwealth membership. This committee, with support and assistance from the Secretariat, might draft an instrument framing a human rights policy, laying out the Commission's functions and jurisdiction, as well as the member nations' obligations in this regard. This draft instrument could then be scrutinised by each member nation and finalised after careful review of all comments received. Final ratification might come through a special Commonwealth meeting or the next regular Meeting in Lusaka in 1979. The Gambia would hope, however, that such ratification could be achieved before the 1979 Meeting.

29. This process of formulation and comment is something we are familiar with through international law. What is needed at present is a starting point from

which to develop the framework and direction for such a Commonwealth instrument. Thus we offer the following suggestions:

(i) initially, the proposed Commission could be composed of eight to ten distinguished jurists, if possible with competence in the field of human rights, elected by the member nations from nominations presented by each member. Care should be taken so that these members be broadly representative of the various regions in the Commonwealth and so that there is no more than one national from the same state. Specific terms of office and election procedures could be formulated by the preparatory committee and contained in the resulting document;

(ii) the Commission might have set meetings or meet only as or when members or individuals apply for a hearing, investigation and pronouncement upon alleged human rights violations in any Commonwealth country. As to procedure, the Commission could, for example, investigate and report on a case whenever more than half of the Commission members are of the view that human rights have been violated in a member state and all reasonable domestic legal remedies have been exhausted. Generally a number of formulas and variations could be examined and adopted to best meet the needs of the Commonwealth.

30. Specifically it might be helpful for purposes of the Commonwealth's particular needs if the preparatory committee considered some of the principles and procedures for the protection of human rights contained in the European Convention of Human Rights and Fundamental Freedoms, an instrument which created the European Commission on Human Rights. This Convention, signed in 1950 by all states members of the Council of Europe, has had notable success in effectively protecting human rights in Europe and thus may be an arrangement worth some attention by the Commonwealth. It substantially duplicated the freedoms enumerated and defined in the Universal Declaration of Human Rights. But, in addition, it marked a notable step forward in the struggle for civil liberties in Europe in two respects. First, it provided implementation of these rights through specific guarantees and obligations, some mandatory and others optional, on the part of all member states on the national and international levels. Second, it provided for the recognition of private individual and association complaints after such complaints had exhausted all reasonable domestic and legal remedies. This provision is particularly significant for, unlike the Universal Declaration of Human Rights, it clearly extends legal protection for fundamental rights to individuals as well as states. And as has been stressed above, increasingly there are occasions when an individual must not be left alone to face the state, but rather must have audience and support from an international body to ensure that human rights are protected.

31. The European Commission on Human Rights created by the European Convention has fundamentally a conciliatory function. But it also adjudicates the preliminary issue of admissibility of the applications including the prerequisite of exhaustion of local remedies. If it finds a petition admissible it holds hearings, investigating fully the case and drawing up a report and opinion as to whether the facts disclose any breach by the state concerned of its obligations under the Convention.

32. There are, of course, other provisions and procedures within the European Convention adapted specifically to their unique situation. But generally as outlined above, there are many provisions of value and worth scrutiny by a Commonwealth preparatory committee for purposes of framing a Commonwealth Human Rights Commission.

33. Functionally, in addition to its specific role as investigator of human rights complaints, the Commission should respond in several associated areas.

34. Acting on behalf of the Commonwealth countries, the Commission should:

(i) give open and strong support to those countries working to improve the human conditions, where possible using positive steps of encouragement and inducement to guide each member country to ensure respect for human rights at the national level through development of institutions and procedures for this purpose;

(ii) welcome efforts of individuals and private organisations such as religious, humanitarian, and professional groups within the Commonwealth countries to work for human rights, and consider the possibility of constructive co-operation with such organisations;

(iii) encourage all member Governments to ratify and implement the United Nations Conventions on Human Rights;

(iv) continue an absolute and unequivocal condemnation and rejection of racial discrimination, apartheid and colonialism; and aggressively support efforts particularly in the developing Commonwealth countries toward the improvement of the status of women;

(v) work closely with all member countries to help each fulfil both the spirit and letter of the Commonwealth human rights commitments.

35. At this point it should be stressed that the key to the success of the European arrangement with the European Commission on Human Rights has been agreement by the member states to submit to international control their actions affecting basic freedoms. This is an essential ingredient for a Commonwealth Commission as well. The Commonwealth members should agree on a human rights policy, they should endorse procedures to ensure human rights protection in the Commonwealth, and they should submit to agreed upon functions and jurisdiction of the Commission. In other words, they should fully co-operate, welcome the Commission's investigations, work with its officials and act on its reports. Whatever the formula, success will be determined by the member nations.

36. It should also be stressed that the proposed Commission has nothing to do with the political ideology or type of regime of any member country. Precise moral rights and political ideologies of men in some communities may well differ from precise rights and ideologies of men in other communities. National sovereignty must be respected. But as stated above, human rights rest on universal principles. And, thus, countries and institutions must act as international guardians of these rights. That is why human rights maxims cannot be rigid. Strict values or solutions must not be imposed on others. The Commission must be realistic about the limits of its power and wisdom. It will need to be guided by flexibility and compromise so as to create an atmosphere within the Commonwealth which will allow effective and constructive progress at mutual improvement and protection of universal human rights.

37. We are not unmindful of the difficulty of reconciling on the one hand, sovereign jurisdiction and interference in the domestic affairs of a member state provided under Article 2 paragraph 7 of the UN Charter, and on the other hand, protection of the universal principles enunciated almost 30 years ago in the Universal Declaration of Human Rights. But we are all pledged to both instruments. Thus, while the Commission must not be drawn into political controversy or give the impression of sitting in judgment on governments, it must actively support human rights struggles in the Commonwealth countries in those instances that demand and justify protest and action from without. It is also necessary at the same time to approach this most delicate problem so that the conditions of the oppressed are actually improved to the fullest extent possible.

Conclusion

38. The Gambia recognises the need for each member nation of the Commonwealth to declare and actively pursue the human rights commitments outlined in the Singapore Declaration and the several UN instruments on human rights. As expressed in this paper, The Gambia also sees the need for definite action on the part of the Commonwealth body to give legal protection to fundamental freedoms.

39. Where peoples share common principles and institutions of freedom, they may agree on a programme of protection of fundamental liberties. This programme may be embodied and defined through the establishment of a Commonwealth Human Rights Commission, similar in general respects to the European Commission on Human Rights. This effort will help us strengthen the Commonwealth federation and bring us closer to attaining our goals of international understanding and world peace. Sincere efforts in this area may strengthen our bonds and progress in economic co-operation and development as well. For it must be recognised that failure to protect and advance human rights remains a matter of grave concern in many parts of the world today and, apart from basic consideration of principle, this is becoming an increasing and major obstacle in international relations.

40. Change and progress in this field will, admittedly, be gradual. But it will come if pursued with determination and consistency. The Gambia commits itself to this effort.

41. Our faith in the dignity of the individual, our belief in the effectiveness of free and democratic societies and our struggle for peace and social justice, calls upon us now as members of the Commonwealth to act in the cause of human rights.

Commonwealth Secretariat
Mulungushi Hall
Lusaka

August 1979

ANNEX to
HGM (79) 23

DRAFT RESOLUTION TO ESTABLISH A COMMONWEALTH HUMAN RIGHTS COMMISSION

Proposed by the Republic of The Gambia

Recalling the UN Charter in which the peoples of the UN expressed their determination to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women, and the Universal Declaration of Human Rights which proclaimed " this Universal Declaration of Human Rights as a common standard of achievement for all Peoples and all Nations ";

Recalling the Singapore Declaration of Commonwealth Principles and the London Meeting of June 1977 at which the Commonwealth Heads of Government reaffirmed their belief in the fundamental rights of all men to life and liberty and to those personal freedoms that are a common heritage of their peoples and respect for human dignity and equal rights of all men;

Taking note of the Resolution on Human Rights adopted at the Sixteenth Ordinary Session of the Assembly of Heads of State and Government of the Organisation of African Unity held in Monrovia, Liberia from 17–20 July, 1979 in which the African Heads of State and Government reaffirmed the need for better international co-operation, respect for fundamental human rights and agreed on the setting up of the necessary institutional framework to prepare an African Charter on Human Rights;

Noting further that human rights include not only rights to life, liberty, security and integrity of the person but also economic, social, cultural, civil and political rights;

The Commonwealth Heads of Government

DECIDE

1. to establish the Commonwealth Human Rights Commission which should be composed of 10 distinguished persons with competence in the field of human rights to be elected by the Heads of Governments;

2. that the functions of the Commission shall include:

(i) the promotion of the rule of law and the protection of human rights in all parts of the Commonwealth;

(ii) investigations into allegations of violations of human rights in any part of the Commonwealth;

(iii) bringing to the attention of Commonwealth Heads of State and Government acts which reveal a consistent patern of gross and reliably attested violations of human rights and fundamental freedoms requiring consideration by the Commonwealth Heads of State and Government.

HGM (79) 24

REPORT OF THE COMMITTEE OF THE WHOLE

NOTE BY THE SECRETARY-GENERAL

1. The Committee of the Whole at its meetings of 2 and 3 August, 1979, considered the agenda items remitted to it by Heads of Government.

MEMORANDUM BY THE SECRETARY-GENERAL ON THE COMMONWEALTH YOUTH PROGRAMME (HGM (79) 7)

2. The Committee reaffirmed the original objectives of the Commonwealth Youth Programme and noted that it was the only Programme providing for extensive inter-governmental co-operation in this field. It recognised that the need for mobilising young people to assist in the development process was even more pressing now than when the Programme was first launched in 1973. The Committee, however, noted with concern that inadequate funding of the Programme was severely limiting its capacity to assist Commonwealth Governments in a crucial area of co-operation. The Committee, commending the work of the three regional centres in providing essential training for youth administrators and field workers, recognised that unless the Programme received more funds this vital aspect of its activities would be placed in jeopardy.

3. The demand from Commonwealth Governments for more assistance in developing youth policies and programmes at the national level and the scope that existed for increased mutual learning through the expansion of the fellowship scheme and the provision for youth exchanges was acknowledged.

4. The Committee strongly endorsed the request of the Secretary-General for an increase of at least one-third in pledges to the Commonwealth Youth Programme. It agreed that the funds available to the Programme for the biennium 1980–82 should be increased to £1 million per annum. In determining its minimum voluntary contribution to the target figure it is suggested that each Government might be guided by its assessed percentage contribution to the Commonwealth Secretariat's administration budget.

5. The Committee recommended that the Commonwealth Youth Affairs Council at its meeting early in 1980 should review the management structure and activities of the Programme in the light of current financial constraints.

MEMORANDUM BY THE CHAIRMAN AND TRUSTEES OF THE COMMONWEALTH FOUNDATION ON THE COMMONWEALTH FOUNDATION—AN INCREASED INCOME AND A BROADENED MANDATE (HGM (79) 4 AND 5)

6. The Committee commended the cost-effectiveness and imaginative work of the Commonwealth Foundation in developing and strengthening professional co-operation throughout the Commonwealth, and expressed its appreciation of the services of Mr. John Chadwick, Director of the Commonwealth Foundation since its inception, who was due to retire in 1980. The Committee agreed that the Foundation's mandate should, subject to a review of its priorities, be expanded as recommended by the Advisory Committee on Relationships between the Official and the Unofficial Commonwealth in areas including culture, information, social welfare and rural development. In order to make good the erosive effects of inflation, and to permit the envisaged expansion in the Foundation's activities, the target for the Foundation's income was set at £1·1 million, although it was recognised that realisable resources were unlikely to exceed £900,000 in 1979–1980.

MEMORANDUM BY THE SECRETARY-GENERAL ON THE ADVISORY COMMITTEE ON RELATIONSHIPS BETWEEN THE OFFICIAL AND UNOFFICIAL COMMONWEALTH (HGM (79) 9)

7. The Committee considered the Report of the Advisory Committee on Relationships between the Official and the Unofficial Commonwealth and endorsed the conclusion that non-governmental organisations were an under-utilised resource. The Committee agreed that official Commonwealth bodies at all levels, national, international and regional, should make a determined drive to establish regular exchanges with the unofficial sector. In this way the energies and expertise of non-governmental organisations would be more effectively harnessed to programmes of social and economic development, and to increasing information, understanding and appreciation of the Commonwealth among the general public. At the national level, Governments should take appropriate measures to improve contact with NGOs and to channel assistance to and through them. The Committee requested the Secretary-General to encourage Commonwealth consultative bodies dealing with technical and professional matters to invite representatives of NGOs to meetings in an observer capacity. While declining to support for financial and other reasons the Advisory Committee's recommendation that an NGO Desk should be created in the Secretariat, the Committee recommended that the Secretary-General should seek to implement such recommendations of the Advisory Committee as were practicable within the Secretariat's present resources, and report in due course to Governments.

MEMORANDUM BY THE SECRETARY-GENERAL ON WOMEN AND DEVELOPMENT (HGM (79) 14)

8. The Committee noted that in conformity with the decision taken at the Heads of Government Meeting held in London in 1977, the Secretary-General had carried out an assessment of all Secretariat programmes with a view to ensuring that appropriate provision was made for women both as participants in and as beneficiaries of such programmes.

9. The Committee also noted that the review revealed scope for greater involvement of women in Secretariat programmes and for those programmes to be more relevant to the needs of women. It recognised that to achieve significant and quick progress in this area a focal point was needed within the Secretariat to assist the Secretary-General in responding to identified needs and priorities of Governments and help the Secretariat to plan its programmes so as to take full account of the needs of women. The Committee, therefore, agreed that an Adviser to the Secretary-General be appointed, with such supporting staff as were necessary, to co-ordinate and monitor action in this area.

10. It was recognised, however, that to a large extent progress depended on the policies of member Governments. In particular Governments should be encouraged to ensure that women played their full part in activities organised and training programmes funded by the Secretariat, and that in their requests for assistance, development projects which would be of direct benefit to women should receive due priority.

MEMORANDUM BY THE GOVERNMENT OF THE GAMBIA FOR THE ESTABLISHMENT OF A COMMONWEALTH HUMAN RIGHTS COMMISSION (HGM (79) 23)

11. The Committee recommended that Heads of Government reaffirm the importance attached by Commonwealth Governments to the observance of human rights as proclaimed in the Singapore Declaration and other international instruments and welcome in principle the initiative by the Government of The Gambia for the establishment of a Commonwealth Human Rights Commission. It further recommended that Governments be urged by the Secretary-General to communicate to him by the date of the next Commonwealth Law Ministers Meeting, the views requested on the subject by Law Ministers at their Winnipeg Meeting in August 1977. The Secretary-General should be requested, subject to the views

received, to appoint a suitably qualified and representative Working Party to make recommendations for the consideration of Commonwealth Governments.

MEMORANDUM BY THE GOVERNMENT OF CYPRUS ON A COMMONWEALTH FILM AND TELEVISION INSTITUTE (HGM (79) 17)

12. The Committee welcomed in principle the proposal by the Government of Cyprus for the establishment of a Commonwealth Film and Television Institute which would operate as a non-governmental institution. The Committee recommended that the Secretary-General should be invited to undertake, with relevant Commonwealth institutions, a detailed study of the feasibility of the proposal and report to member Governments, if possible within a year.

MEMORANDUM BY THE GOVERNMENT OF AUSTRALIA ON COMMUNICATION AND THE MEDIA IN THE COMMONWEALTH (HGM (79) 21)

13. The Committee recommended to Heads of Government endorsement of the establishment of a select committee to identify the most pressing communication and media problems, with particular reference to the needs of developing countries, as a basis for the identification of regional and national communications priorities in Commonwealth countries and of suitable forms of practical co-operation to meet these problems. The Committee further agreed that the Secretary-General be asked to determine, in consultation with member Governments, the size and composition of the select committee bearing in mind the need to obtain a representative cross-section of Commonwealth opinion. The Committee could include representatives not only of member Governments but also of relevant Commonwealth non-governmental organisations.

14. The Committee commended to Heads of Government the desirability of expanding media exchanges between Commonwealth countries and proposed that such exchanges be co-ordinated by the Secretariat, in consultation with the Commonwealth Foundation and the Governments concerned, and on the basis of voluntary contributions.

MEMORANDUM BY THE SECRETARY-GENERAL ON RESOLUTIONS OF COMMONWEALTH MINISTERS OF HEALTH AND OF YOUNG COMMONWEALTH LEADERS (HGM (79) 15)

15. The Committee noted the importance of the decision taken by the Fifth Commonwealth Health Ministers Conference held in Wellington, New Zealand in 1977 and of the subsequent resolutions adopted by Commonwealth Health Ministers at their meeting in Geneva.

16. The Committee, noting the resolutions of Young Commonwealth Leaders on international economic issues and on Southern Africa adopted at their meeting in Colombo, Sri Lanka, recognised the value of encouraging young people not only to participate in the development of their societies but also to consult together and articulate their views on issues of Commonwealth and wider international concern.

PROPOSAL BY THE GOVERNMENT OF BANGLADESH ON COMMONWEALTH FOOD SECURITY

17. The Committee endorsed the concern expressed by the Government of Bangladesh over the international food security situation. The Committee recommended to Heads of Government that consideration should be given to holding a meeting of Commonwealth Ministers of Agriculture and Food before or during the forthcoming FAO Council Meeting. It agreed that a meeting could usefully encompass such essential elements as food security, production and distribution, as well as the transfer of technology for the manufacture of agricultural inputs. To facilitate the discussion at the proposed ministerial meeting, the Secretariat should prepare a study of these issues.

Commonwealth Secretariat
Mulungushi Hall
Lusaka

4 August, 1979

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Head of Task Force
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Conference Security Liaison Officer
Mr. H. J. C. Mtonga

Deputy Conference Security Liaison Officer
Mr. B. Chabala

Chief Liaison Officer
Mr. P. C. Monga

APPENDIX

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Personal Assistant
Mrs. G. Cummings

Personal Secretary
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