

Small island developing states: a case study of standards in defining supranational regions and groupings

Discussion Paper No. 3, 18 April 2016, Joined-up Data Standards project

Beata Lisowska

Data Scientist, Development Initiatives

Contents

Table of Contents

Introduction	2
Summary of findings	4
Classification systems	5
AOSIS and the United Nations	5
The World Bank and the International Monetary Fund.....	5
Findings	6
Geographical divisions.....	6
The case of Haiti	13
Least developed countries	13
Conclusion	15
Many classifications, not enough transparency	15
Appendix: A methodology for mapping standards	16

Introduction

Countries classified as ‘small island developing states’ (SIDS) vary greatly in their populations and size of economies, but have in common a vast number of vulnerabilities. These can be divided into three key areas: economic, social and environmental. They stem from small size, remoteness, climate change, biodiversity loss, narrow resource base, and heavy dependence on volatile export markets. These vulnerabilities have a direct effect on SIDS’ progress in developing and achieving economic sustainability and explain why they rely on official development assistance (ODA) and remittances more than other countries do (Figure 1).

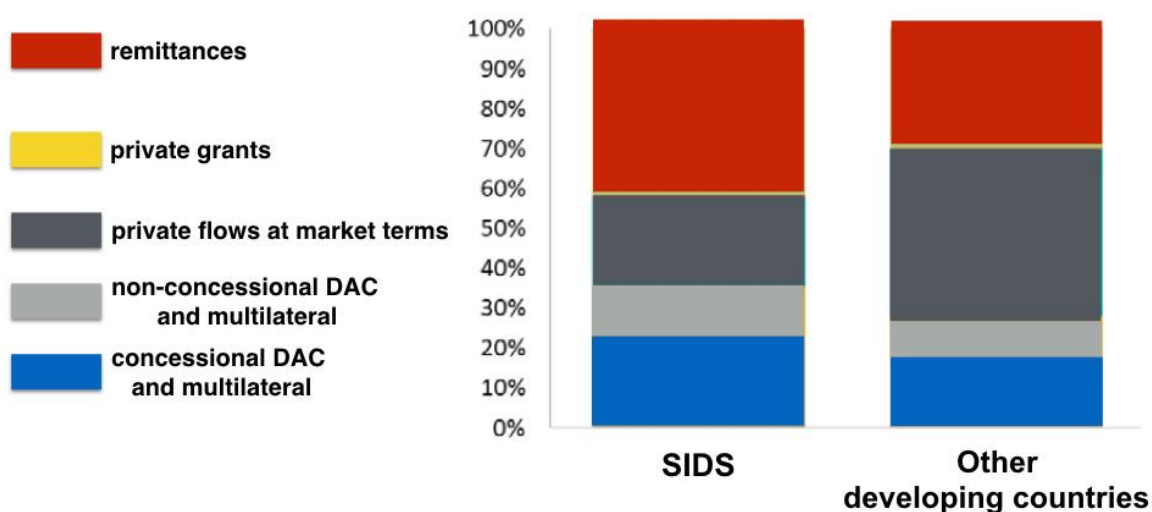


Figure 1: Composition of external finance to SIDS and other developing countries, 2013

Source: OECD DAC (2015) Third International Conference on Financing for Development. Addis Ababa. See event [flyer](#).

These vulnerabilities hinder the ability of the SIDS to meet the Sustainable Development Goals (SDGs), yet support for their needs cannot be neglected within the commitment to ‘leave no one behind’.

As part of the Joined-up Data Standards (JUDS) project’s aim to build a publicly accessible [online thesaurus](#) – a taxonomy manager for documenting and cross-mapping standards – the relationships between a range of supranational classifications have [already been documented](#). The case of SIDS is a striking, but not atypical, example of disparities grounded in a lack of transparency and common definitions between the data standards that define supranational regions and groupings.

Table 1: Supranational regions and groupings currently mapped in the JUDS online thesaurus

	Economic grouping	Geographical grouping	Health grouping	Security grouping	Other
IMF	<u>IMF low Income developing countries</u>	<u>IMF regions</u>			
UN	<u>UN least developed countries</u>	<u>UN geographic regions</u>			<u>Landlocked developing countries (UN)</u>
					<u>Small island developing states (UN)</u>
FAO					<u>FAO groups</u>
UNDP					<u>Human Development Index groups (UNDP)</u>
UNESCO					<u>UNESCO regions</u>
UNECA		<u>UNECA regions</u>			
World Bank	<u>World Bank heavily indebted poor countries</u>	<u>World Bank geographic regions</u>		<u>World Bank fragile and conflict affected situations</u>	<u>World Bank small states</u>
	<u>World Bank income groups</u>				
	<u>World Bank lending groups</u>				
OECD DAC	<u>DAC income groups</u>	<u>OECD DAC geographic regions</u>			
WHO	<u>WHO income region</u>		<u>WHO global burden of disease regions</u>		
			<u>WHO region</u>		
Other		<u>MDG regional groupings</u>			<u>International Telecommunication Union regions</u>

DAC: Development Assistance Committee; FAO: Food and Agriculture Organization; IMF: International Monetary Fund; MDG: Millennium Development Goals; OECD: Organisation for Economic Co-operation and Development; UNECA: United Nations Economic Commission for Africa; WHO: World Health Organization

Summary of findings

The original definition of SIDS from the [United Nations conference in Rio de Janeiro in 1992](#) described them as “low-lying coastal countries that share similar sustainable development challenges, including population, limited resources, susceptibility to natural disasters, vulnerability to external shocks, and extensive dependence on international trade.” However, United Nations (UN) agencies have never agreed a common definition of SIDS. The UN Conference on Trade and Development (UNCTAD) [states](#) “The UN never established criteria to determine an official list of SIDS. This unofficial list is used by the UNCTAD for analytical purposes only”. This lack of common definition results in a varying number of states that are classified as SIDS (Tables 1 and 2). The groupings of SIDS are important because of two factors:

1. The international support and assistance available to states that are classified as SIDS
2. The reliability of the aggregated statistics that show the overall economic progress and health of these countries.

Theoretically, for a country to be considered a SIDS, four conditions must be met:

1. Small in size
2. Independent
3. Developing
4. Low-lying coastal line.

Even with these four factors met, the country is not guaranteed the status of a SIDS and the exceptions to the rules are not clearly defined. For instance, the World Bank and IMF consider a country a ‘small state’ if the population is 1.5 million people or less, yet Jamaica has a population of 2.7 million and can be found in this grouping. Conversely, the smallest island in the Pacific region, Nauru, is not considered a small state.

To emphasise the lack of consistency; a [section](#) from the UN Conference of Trade and Development on “Small island developing states: origin of the category and definition issues” outlines the following issues: “Availability of a precise list of countries is, of course, no guarantee that concrete action will follow. But fuzziness and lack of clarity offer an easy pretext for inaction, and may even bring about spurious and unverifiable claims that action has indeed been taken.”

The case of SIDS is indicative of a bigger problem: the lack of clear and transparent classifications is widespread among the international data standards that define supranational regions and groupings.

Classification systems

AOSIS and the United Nations

The [Alliance of Small Island States](#) (AOSIS) includes in its definition of SIDS, unlike the Rio formulation, not only low-coastal countries but also small islands that face similar challenges in their economic, social and environmental vulnerability. The AOSIS also allows its members to be non-independent and non-UN. The alliance includes 39 member states and 5 observers. Although AOSIS cannot offer its members any official assistance, it played an important role as a negotiating voice in the UN, especially when the SIDS Accelerated Modalities of Action ([SAMOA](#)) Pathway was established to encourage the international community to increase its support to vulnerable states.

The crucial agency involved in effective implementation of the SAMOA Pathway is the UN Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS). This body recognises 38 UN-member states and 20 non-UN members. UN-OHRLLS will be responsible for creating reports on the progress of SIDS in the context of both the SAMOA Pathway and the 2030 agenda for sustainable development. Most UN agencies agree on the 39 member states with exception of UNCTAD, which recognises an '[informal list](#)' of 29 SIDS. This is surprising since UNCTAD was the first UN agency to pioneer research into this group of the developing countries and was a key force in establishing an international framework favouring them.

The World Bank and the International Monetary Fund

The World Bank and the IMF have the power to provide eligible states with financial assistance such as grants and concessional lending or access to the Multi-Donor Trust Fund ([SIDS DOCK](#) Support Program) yet they do not recognise SIDS as a distinct group. The IMF has a classification for small states and currently [defines them](#) as “developing countries that are Fund members with a population below 1.5 million.” The World Bank uses the same definition, of a population below 1.5 million for all countries, irrespective of IMF membership. The World Bank also publishes aggregated data on SIDS progress in its annual World Development Report. Although the IMF and World Bank share some aspects of their definitions for the small states, the precise criteria for their classification remains unclear and results in the World Bank recognising 41 states, and the IMF 31, as eligible for the benefits associated with membership of this group.

[According to the World Bank](#), “Twenty small states (countries with populations of 1.5 million or less) are currently eligible for funding from the International Development Association (IDA). Thirteen of these countries have access to IDA funding under the ‘small islands economies exception’. These countries have access to IDA funding in recognition of their vulnerability to economic shocks and natural disasters despite having gross national income (GNI) per-capita levels on average four times the IDA operational cutoff (and in some cases as high as six times the operational cutoff).”

Findings

Geographical divisions

SIDS are grouped into three categories depending on their geographical location, these are the Caribbean; the Pacific; and the Atlantic, Indian Ocean, Mediterranean and South China Sea (AIMS). These groupings have been created and are maintained by the UN. The small states that do not fall into those groupings are: New Caledonia, Tokelau, Netherlands Antilles, Guan, Commonwealth of Northern Marianas, French Polynesia and Bahrain yet they are considered SIDS by the UN-OHRLLS, AOSIS and UNESCO (Figures 2 to 5).

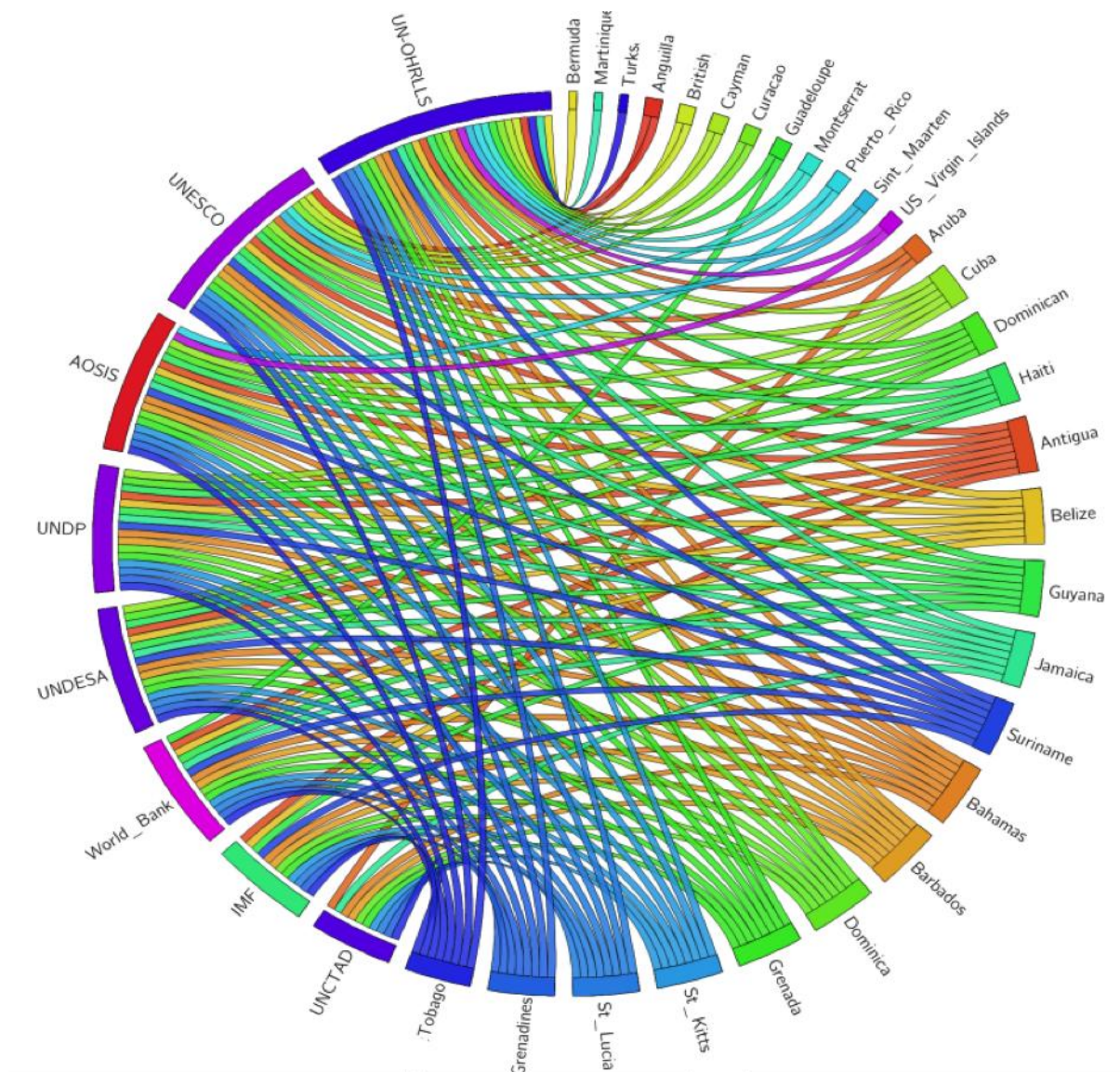


Figure 2: Caribbean states (as defined by the UN Economic Commission for Latin America and the Caribbean) mapped against their classification as SIDS by international organisations

The disparities between classifications show that Bahrain is only recognised by UN-OHRLLS as a small independent developing state. Netherlands Antilles is only classified as an observer by the AOSIS and Tokelau is only classified as a SIDS by UNESCO. Including Tokelau in the UNESCO classification allows the state to be a point of focus of the World Heritage Programme for SIDS as defined at the 29th session of the World Heritage Committee in 2005. Since Tokelau is part of the New Zealand territory, its inclusion into UNESCO SIDS classification shows that self governance is not the main criteria in its grouping.

Table 2: Classifications of SIDS by UN agencies, the World Bank and the IMF

Country	UN-OHRLLS	AOSIS	UNESCO	UNCTAD	UNDESA	Sustainable Development Knowledge Platform (UNDP)	World Bank	IMF
Anguilla	X		X					
Antigua and Barbuda	X	X	X		X	X	X	X
Aruba	X		X	X				
Bahamas	X	X	X	X	X	X	X	X
Barbados	X	X	X	X	X	X	X	X
Belize	X	X	X		X	X	X	X
Bermuda	X							
British Virgin Islands	X		X					
Cayman Islands	X		X					
Cuba	X	X	X		X	X		
Curacao	X		X					
Dominica	X	X	X	X	X	X	X	X
Dominican Republic	X	X	X		X	X		
Grenada	X	X	X	X	X	X	X	X
Guadeloupe	X						X	
Guyana	X	X	X		X	X	X	X
Haiti*	X	X	X		X	X		
Jamaica	X	X	X	X	X	X	X	
Martinique	X							
Montserrat	X		X					
Puerto Rico	X	X						
St Kitts and Nevis	X	X	X	X	X	X	X	X
St Lucia	X	X	X	X	X	X	X	X
St Vincent and the Grenadines	X	X	X	X	X	X	X	X
Saint Martin	X		X					
Suriname	X	X	X		X	X	X	X
Trinidad and Tobago	X	X	X	X	X	X	X	X
Turks and Caicos Islands	X							
US Virgin Islands	X	X						
Pacific SIDS member states								
Cook Islands	X	X	X		X	X		
Fiji	X	X	X	X	X	X	X	X

Sustainable Development Knowledge Platform	Kiribati*	X	X	X	X	X	X	X	X
	Marshall Islands	X	X	X	X	X	X	X	X
	Federated States of Micronesia	X	X	X	X	X	X	X	X
	Nauru	X	X	X	X	X	X		
	Niue	X	X	X		X	X		
	Palau	X	X	X	X	X	X	X	X
	Papua New Guinea	X	X	X	X	X	X		
	Samoa*	X	X	X	X	X	X	X	X
	American Samoa	X	X						
	Solomon Islands*	X	X	X	X	X	X	X	X
	Timor-Leste*	X	X	X	X	X	X	X	X
	Tonga	X	X	X	X	X	X	X	X
	Tuvalu*	X	X	X	X	X	X	X	X
	Vanuatu*	X	X	X	X	X	X	X	X
AIMS SIDS member states Sustainable Development Knowledge Platform	Cabo Verde	X	X	X	X	X	X	X	X
	Comoros *	X	X	X	X	X	X	X	X
	Guinea-Bissau*	X	X	X		X	X	X	
	Maldives	X	X	X	X	X	X	X	X
	Mauritius	X	X	X	X	X	X	X	X
	São Tomé and Príncipe*	X	X	X	X	X	X	X	X
	Seychelles	X	X	X	X	X	X	X	X
	Singapore	X	X	X		X	X		
Not classified by the UN	New Caledonia	X							
	Tokelau			X					
	Netherlands Antilles		X						
	Guam	X	X						
	Commonwealth of Northern Marianas	X							
	French Polynesia	X							
	Bahrain	X							
Small states World Bank	Lesotho*							X	
	Montenegro							X	X
	Namibia							X	
	Swaziland							X	X
	Gambia*							X	
	Gabon							X	
	Djibouti*							X	X
	Bhutan							X	X
	Botswana							X	

X: non-UN member
X: AOSIS observers
X: UNESCO associate members

Notes: Both World Bank and IMF group together SIDS and small states that are shown at the end of the table. *SIDS that are also classified as least developed countries

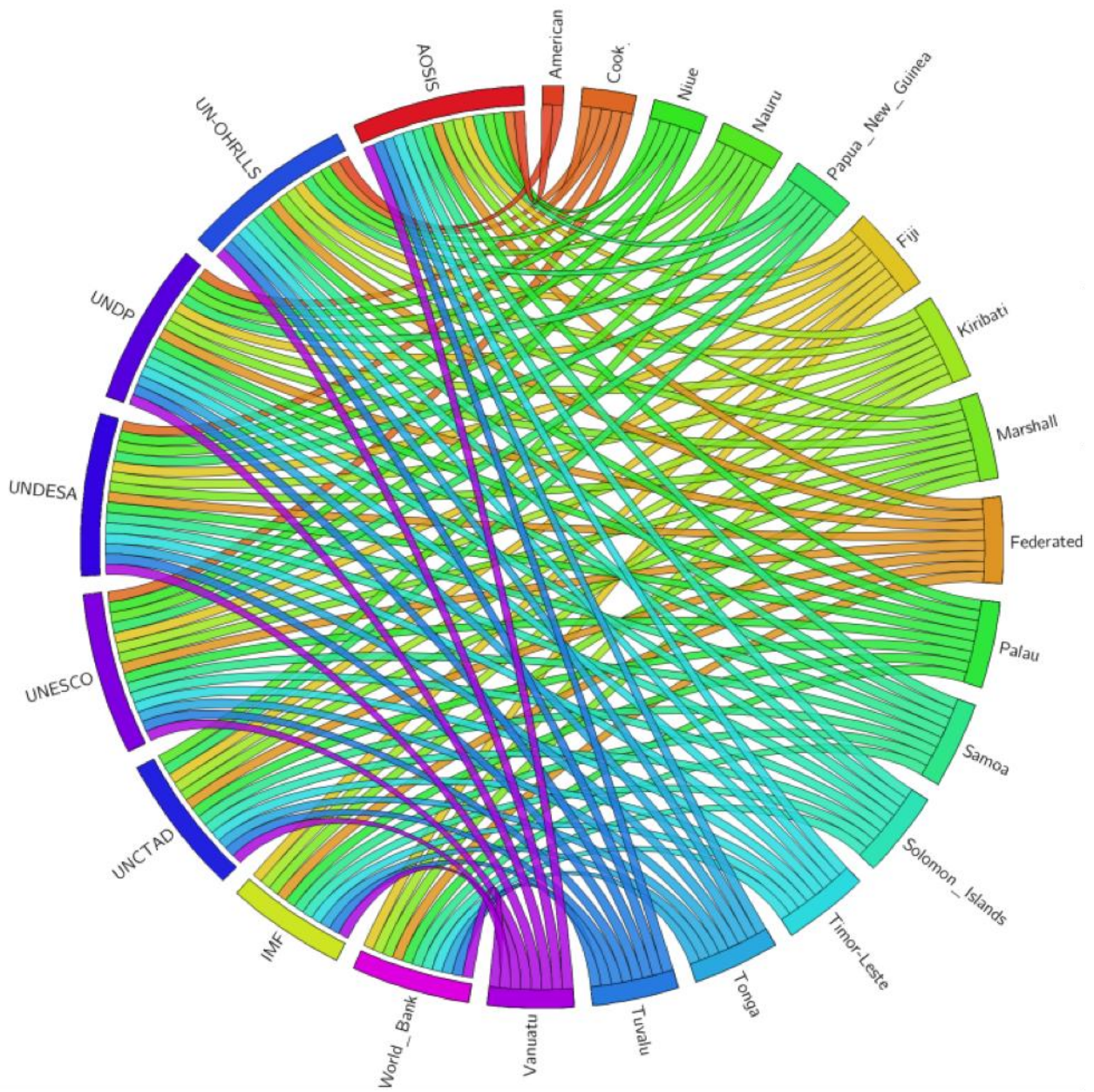


Figure 3: Pacific states (as defined by the UN) mapped against their classification as SIDS by international organisations

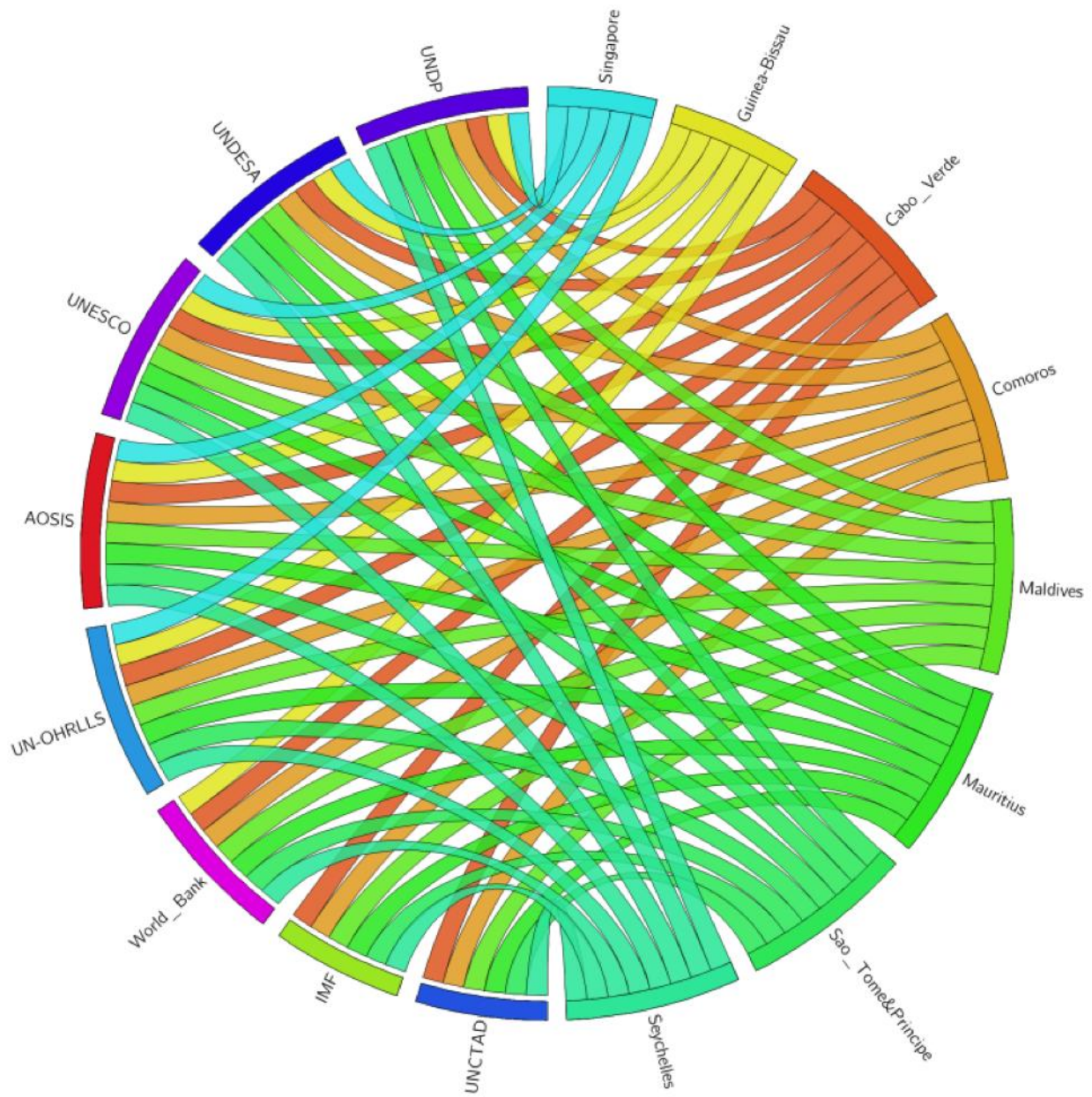


Figure 4: AIMS region states (as defined by the UN) mapped against their classification as SIDS by international organisations

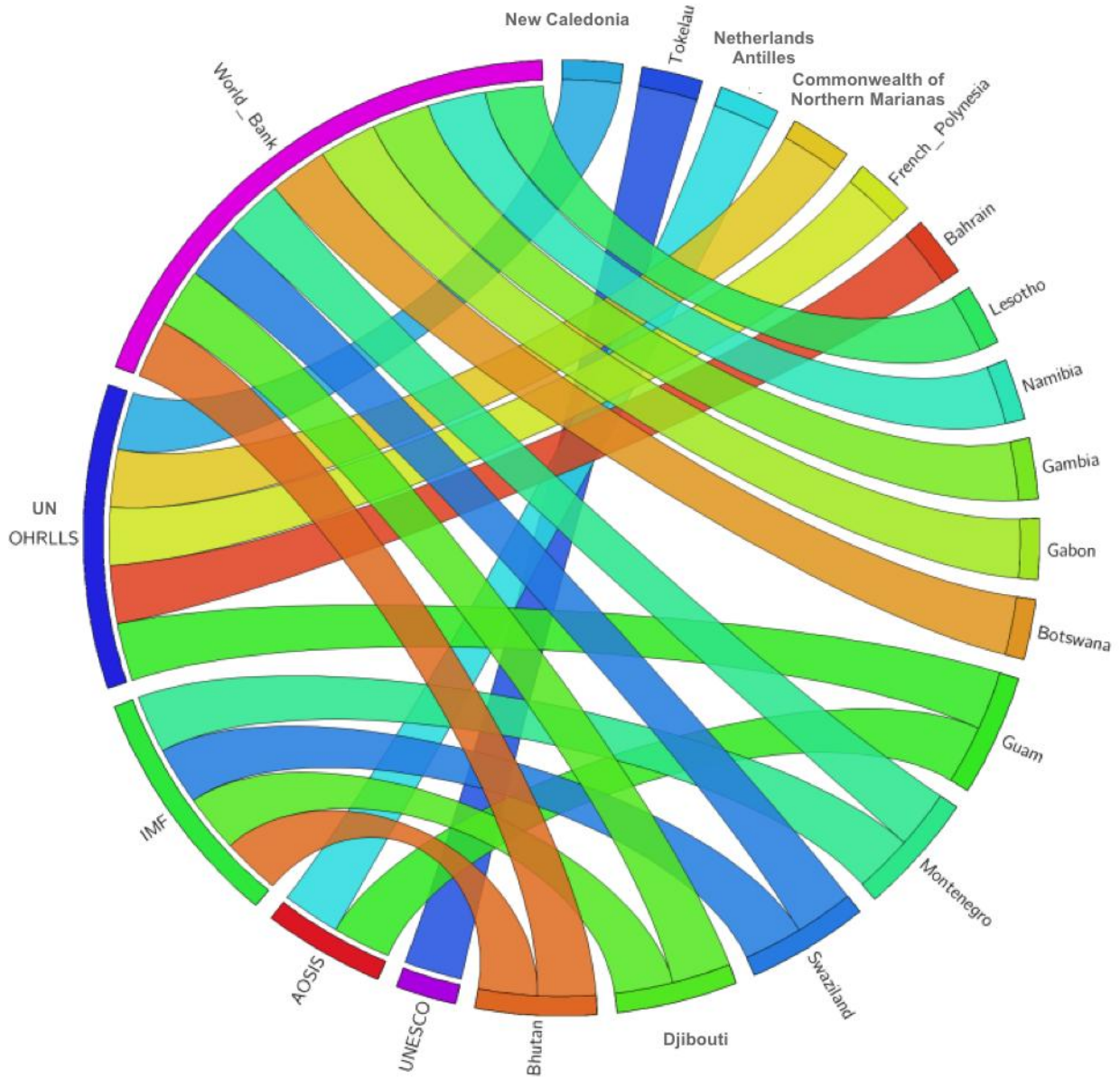


Figure 5: Pacific states and “other small states” (as defined by the World Bank and the IMF) mapped against their classification as SIDS by international organisations

Table 3: Definitions of SIDS from UN agencies, World Bank and IMF

Table also includes what benefits a given SIDS group membership means and the number of states that make the group

	UN						Small states	
	UN-OHRLLS	AOSIS	UNESCO	UNCTAD	UNDESA	Sustainable Development Knowledge Platform (UNDP)	World Bank	IMF
Definition	Group of developing countries facing specific social, economic and environmental vulnerabilities.	Coalition of small island and low-lying coastal countries that share similar development challenges and concerns about the environment. ¹	"The UN never established criteria to determine an official list of SIDS."	"The UN never established criteria to determine an official list of SIDS. This unofficial list is used by UNCTAD for analytical purposes only."			Countries with populations of 1.5 million or less.	Fund members with populations below 1.5 million ²
Number	38 UN members + 20 non-UN members	39 members + 5 observers	39 members + 9 associated members	29	39	39	41	33
Significance	Effective implementation of SAMOA Pathway		Effective implementation of SAMOA Pathway	1) Identifying possible international support measures of key interest to SIDS 2) Encouraging the adoption of criteria for defining SIDS, a prerequisite for SIDS status	Created SDKP	1) Importance of SIDS in achieving SDGs 2) Effective implementation of SAMOA Pathway 3) Small Island Developing States Technical Assistance Programme (SIDS/TAP)	1) SIDS Multi-Donor Trust Fund, such as SIDS Dock ³ 2) World development report	1) Financial assistance to small states when needed 2) 20 small states are eligible for concessional lending 3) Loans currently facing no interest rate charge as part of programmes aimed at putting in place policies to address immediate and longer-term economic issues.

¹ This functions primarily as an ad hoc lobby and negotiating voice for SIDS in the UN system. AOSIS also includes other island entities that are non-UN member states or are not self-governing or non-independent territories that are members of UN regional commissions. Note that Bahrain is not a member of AOSIS.

² Micro-states are a sub -group with populations below 200,000 as of 2011.

³ "[SIDS Dock] is an initiative among member countries of AOSIS to provide SIDS with a collective institutional mechanism to assist them transform their national energy sectors into a catalyst for sustainable economic development and help generate financial resources to address adaptation to climate change."

The case of Haiti

Haiti remains one of the poorest countries in the Americas and in the world, with per capita spending of US\$846. UNDP's 2014 [Human Development Report](#) places Haiti 163rd in the Human Development Index and firmly in the low human development group. According to the IMF's 2014 [poverty reduction strategy paper](#), this is the result of disastrous poverty trends exacerbated by recurring natural disasters.

Haiti is a good example of a country that suffers from a lack of a unified definition. Most UN agencies recognise Haiti as a SIDS; UNCTAD, the World Bank and the IMF do not. Even though Haiti benefited from the Haiti Reconstruction Fund established in 2010 by the World Bank, the missing 'SIDS label' translates into denied access to such programmes as the [SIDS DOCK Support Program](#) or grants and concessional lending by both of these financial institutions. These programmes were designed with SIDS' vulnerabilities in mind – vulnerabilities that Haiti is most exposed to yet denied access to targeted help to overcome.

The lack of official criteria for classifying SIDS makes it challenging to establish the reasons for and against classifying Haiti as a small independent state. The World Bank and IMF state⁴ that small states are countries with populations of 1.5 million or less. Haiti's population is 10.5 million, which places it outside of the criteria for small states yet states such as Jamaica or Papua New Guinea do exceed this threshold but are still grouped under SIDS. And these countries retained their status because "they share many of the same characteristics of smallness".⁵ Haiti is hence considered not a small but an island developing state that faces the same challenges as other SIDSs.

Least developed countries

SIDS is not the only example of the problems arising from classifications of supranational groupings. The definition of states' levels of development also differs among international organisations. The term 'least developed country' (LDC) was [coined by UNDESA](#) in 1968 and instituted in 1971. LDCs are widely recognised and members of the group enjoy greater allocation of funds from UNDP and are fully recognised by the World Trade Organization. However, this classification is not used by the World Bank to assess country eligibility for IDA funding. It does not use the LDC category to drive its funding policy but instead uses its 'low-income' classification – a tag shared with the IMF but with a different definition – even though most LDCs are eligible for IDA funding.

⁴ The guidance note also considers the special macroeconomic challenges faced by "micro" states, with populations of fewer than 200,000. In practice, many countries with populations larger than 1.5 million have characteristics of "smallness," and this guidance note applies, in varying degrees, to these countries as well.

⁵ Commonwealth Secretariat/World Bank (2000) Small states: Meeting the development challenge. Paragraph 8.

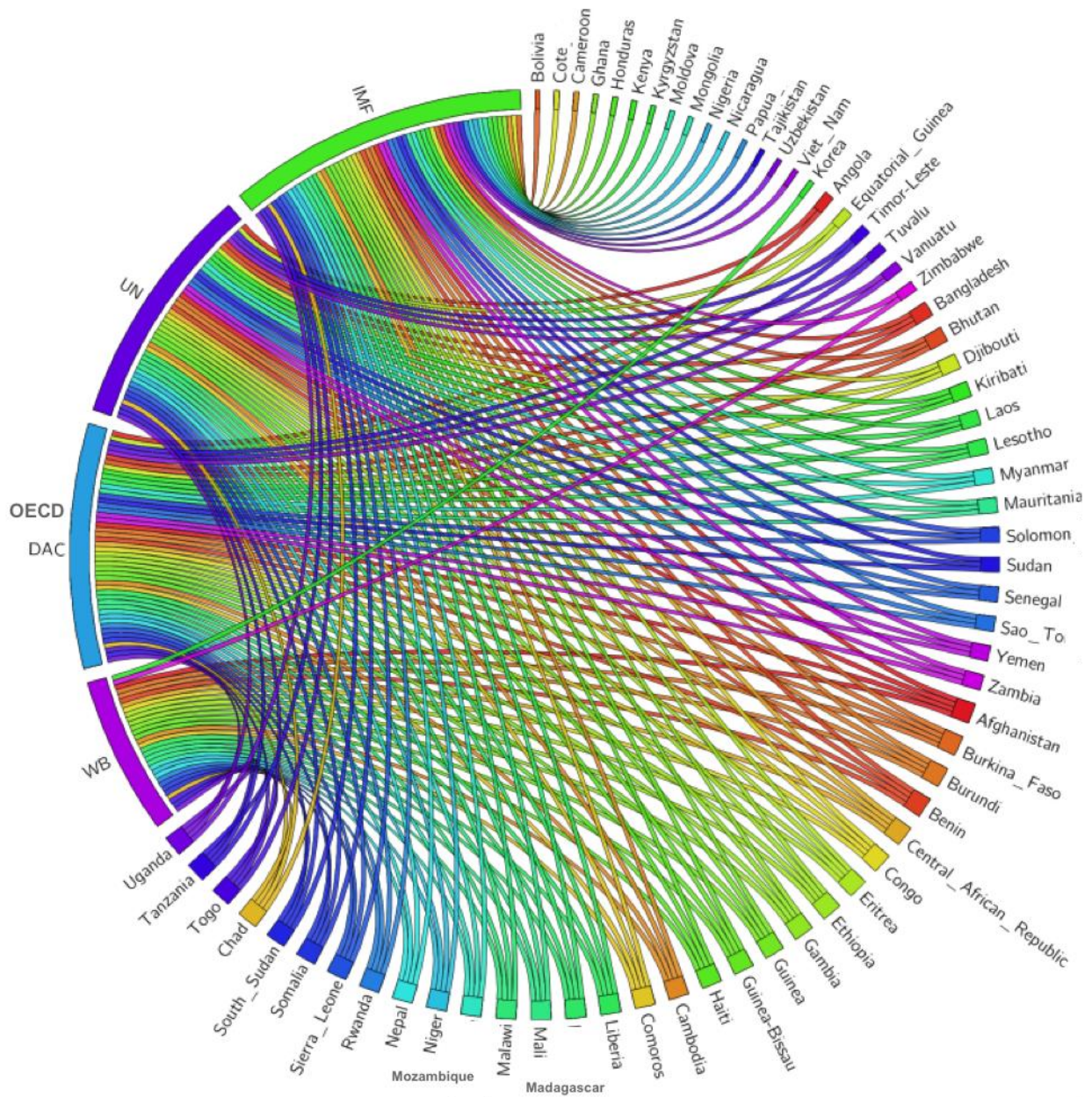


Figure 7: Least developed countries mapped against their classification by the OECD DAC, UN, World Bank and IMF

Conclusion

Many classifications, not enough transparency

In their 2014 paper [Noodles and Spaghetti: Why is the developing country differentiation landscape so complex?](#) Fialho and van Bergeijk argue that the multiple competing classification and definition concepts undermine predictability, rationality and transparency in global governance.

The differences in how international organisations classify SIDS is an example of a wider problem facing the interoperability of geopolitical data standards. While a joined-up data standards 'crosswalk' approach can be used to link many similar terms between the standards, it is the unmappable gaps that make comparing data challenging and can lead to real economic impact on the countries affected.

International organisations can argue, often persuasively, that there are good reasons for maintaining different country groupings. Notwithstanding, as the 2014 UNDESA paper [How useful are current approaches to classify countries in a more heterogeneous developing world?](#) concludes:

".. there has been a mushrooming of classification systems and country categories all striving to put some order in the new complex international reality, but not fully succeeding. Instead, the international panorama has become more confused and disorganised, with several overlapping classifications."

While this plethora of classifications may be navigable for large global institutions, developing countries may be paying the price for this complexity. From the viewpoint of making data for decision-making and accountability comparable and interoperable, the heterodoxy of standards in this area likewise presents significant challenges. For both reasons, serious consideration needs to be given to ways of translating between competing classifications or agreeing on common definitions wherever possible.

Appendix: A methodology for mapping standards

Data standards are joined up using semantic mapping of terms (concepts) across data standards. All the data standards discussed in this paper can be accessed through the online thesaurus at joinedupdata.org under the 'Supranational Regions and Groupings' project.

The following relationships (Simple Knowledge Organization System/SKOS mapping of concepts) have been used to link the data standards:

Exact Matching Concept⁶: refers to a concept that has exactly the same corresponding concept in other concept scheme. This is considered an "exact matching concept" given that the content of the corresponding subsectors also matches the concept in question.

Close Matching Concept: used when a given concept is very similar but not exact with a concept in another concept scheme, and might include concepts from other concepts schemes that would not be necessarily grouped together. This relationship denotes that the concepts cannot be interchangeably used but are similar enough.

The following data standards were used to semantically map individual data standards:

Narrower Concept: sub-element for a given category or a group in a given classification.

Broader Concept: hierarchically higher element to "narrower concept". If "subsector" is a narrower element to "sector" then "sector" is a broader element to "subsector".

Alternative Label: collections of synonyms for a given concept.

Notation: numerical, alphabetical, roman or the mix of the former. This is the numbering used by a given standard.

Definition: description of a sector as given by the organisation that set the data standards.

⁶ Matching Concept refers to a relationship between sectors within different groupings.