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Small island economies: from vulnerabilities to opportunities Building resilience of SIDS through agricultural trade and agribusiness development

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Building resilience in small-islands economies

Trade and Green Growth

Edwin Laurent, Senior Advisor, The Caribbean Green Economy Initiative

Presentation

I compliment the CTA for its valuable work in deepening international understanding of how development challenges can impact in a unique way on SIDS and seeking to identify solutions that are tailored to their specific circumstances. In that regard I am confident that this morning's panel will make an important contribution.

Like all other countries SIDS, seek better and more fulfilling lives for their people for which they need investments that leads to economic growth generating secure jobs and income that results from the production of goods and services. To be accepted as sustainable or "green", they must do more than contribute just to economic growth and improving welfare. The population of the countries must not be excluded but must participate generating good jobs and income that would enable the people to meet their social needs. Equally importantly the investments must preserve not degrade environmental resources.

Sustainable development or transitioning green economy is therefore founded on three pillars, the economic, social and environmental.

SIDS specificity

Factors constraining the ability of SIDS to profitably produce and develop is their very small geographic, economic and market size. This means that increased output has to be exported before it floods the local market. Also the resources available to SIDS are limited in range and volume, so to achieve minimum economic volumes and benefit from economies of scale, they are obliged to pool their resources and specialise in just a few or even a single product. International trade is therefore of particular importance to SIDS. Their expanded production has to be viable and sustainable basis but also be internationally competitive.

Examples of new opportunities open to SIDS for production and trade.

Awareness of the dangers of climate and environmental concerns has created new demand for "green" products. SIDS can seek to capitalise on this. Barbados now produces and exports

solar water heaters. Opportunities can arise for instance from the commercialisation of forest products that have traditional uses as food, medicine or industry.

Trade opportunities in the **services sector**.

Increasingly there is interest among tourists to move beyond the traditional sun, sea and sand concept. Many want to participate in holidays that are less disruptive of the natural environment or integrate better into the local culture.

This opens up real opportunities in two areas. One is eco-tourism. Some Caribbean SIDS use small scale accommodation facilities and a tourism infrastructure that is well integrated into the environment and has stronger linkages with domestic agriculture.

The eco theme does not have to encompass the entire holiday however, it can be limited to just a part e.g. "green" tours and excursions to explore and enjoy their pristine terrestrial and maritime environments, whale watching and forest trekking.

The other emerging area is that of festival tourism that adapting and markets cultural and social events. Examples include Trinidad's carnival, Cropover in Barbados and the Jazz Festival in St Lucia.

From vulnerability to resilience

By investing in sustainable green business, SIDS can generate good jobs, and secure income whilst helping safeguard their environments and making best use of their natural resources.
