

QUESTIONNAIRE

Implementation of the SAMOA Pathway and the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States survey for the SG report in 2018.

Please take time to read thoroughly, before starting the Questionnaire.

PART A

Policy, Legal, Institutional and Financial Arrangements for Implementation

1. (Organizational Arrangements) Is there a Focal Point/Unit dealing with implementation of the Samoa Pathway? If yes, where is it located within the institutional architecture of your country or institution? If no, please explain how the implementation of the SAMOA Pathway is currently coordinated?

The IMF does not have a formal Focal Point dealing with the implementation of the Samoa Pathway. However, an Interdepartmental Working Group on Small States was set up on February 2018, to monitor and coordinate ongoing work across departments on small states issues. Area departments (especially Western Hemisphere Department and Asia Pacific Department) are very active in analytical and policy work to sharpen policy advice to small states. Moreover, the Fund's Executive Directors have a Small States Working Group, , which advocates for small states issues.

The International Monetary Fund classifies 34 member countries as small developing states (SDS), of which 20 are eligible for concessional financing under the Poverty Reduction and Growth Trust (PRGT). Fund engagement with Small Island Developing States (SIDS) takes the form of surveillance, program support, and capacity development. Please find below description of these activities and how they are coordinated.

Surveillance. Like all Fund members, SIDS are subject to bilateral surveillance which involves the **continuous monitoring of members' economic and financial policies**. Once every year (every two years in case of some countries), the Fund is committed to produce Article IV Staff Reports on the economic developments together with policy recommendations for each member SIDS. Surveillance activities are led by the Area Departments, with support from Functional Departments. The Asia Pacific Department oversees the Pacific island countries and the Western Hemisphere Department oversees of the Caribbean countries.

Program support. The IMF can provide financial support to member countries based on their balance of payment needs which are accompanied by mutually agreed economic and financial program. The Area Departments together with support of the Functional Department help in designing and implementing these economic and financial programs.

Capacity Building. The IMF provides technical assistance and helps to develop capacity in SIDS. Institute of Capacity Development takes the lead in capacity development (CD) and

the Fiscal Affairs Department and Monetary and Capital Markets Department provide technical assistance (TA) in areas within their expertise. Regional Technical Assistance Centers (RTACs), such as the Pacific Financial Technical Assistance Centre (PFTAC) or the Caribbean Regional Technical Assistance Center (CARTAC), complement Fund headquarters activities by providing proximity and high frequency assistance to SIDS.

2. (Policy and Legislative arrangements) Is the Focal Point/Unit supported by an enabling policy and/or legal framework? Is yes, please describe. If no, how is the Focal Point/Unit enabled to lead or facilitate the implementation of SAMOA Pathway. How has this affected progress on the implementation of the SAMOA Pathway in your organization at national and regional levels?

N.A.

3. (Financial Arrangements) Please give an indication of:
 - (i) **For States** - the percentage of national budgets allocated to supporting SAMOA Pathway thematic priorities over the last fiscal year.
 - (ii) **For UN system agencies, Regional institutions and international development partners** - percentage of the total budgets invested into SIDS priority areas over the last Fiscal year:

Priorities identified in the Samoa Pathway	Budget Allocation
Sustainable, inclusive and equitable economic growth	
Climate Change	
Sustainable Energy	
Disaster Risk Reduction	
Oceans and seas, water and sanitation, biodiversity	
Waste management	
Health	
Gender equality	
Social development	
Means of implementation (including partnerships and institutional support)	
Etc.	
Total	

Implementation of the SAMOA Pathway and Support to SIDS

4. (Work Programme Arrangements) Please give an indication of:

- (i) **For SIDS** - Does your country have a current long-term National Development Plan? If yes, to what extent has it been aligned to the SAMOA Pathway and/or the 2030 Agenda? Is this plan being implemented? If no long-term plan exists, please indicate what is being used in place of a long-term National Development Plan.
- (ii) **For UN system agencies, Regional institutions and international development partners** – what strategic documents/frameworks/policies/plans guides support for the implementation of the SAMOA Pathway and/or the SDGs if any? How is it resourced and implemented? How often is it revised?

Staff Guidance Note on the Fund's Engagement with Small Developing States (<https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/01/26/pp121117-2017-staff-guidance-note-on-the-funds-engagement-with-small-developing-states>, published in 2014 and updated in January 2018), guides the Fund's engagement with SIDS. The Note highlights the unique economic characteristics and constraints facing small developing states and provides operational guidance to staff on Fund engagement with such countries, including on how small country size might influence the use of Fund facilities and instruments, program design, capacity building activities, and collaboration with other institutions and donors.

The IMF also periodically produces policy papers on small state issues, which inform the Fund's policy advice and engagement with SIDS. Two such papers are:

“Small States’ Resilience to Natural Disaster and Climate Change - Role of the IMF,” December, 2016

“Macroeconomic Developments and Selected Issues in Small Developing States,” May, 2015

In addition, IMF staff produces analytical work which strengthen our understanding of economic challenges facing small states and help sharpen the Fund's policy advice. Recent such papers are listed in section F.

5. Using the table below, please provide an overview of the work (programmes, projects, actions, etc.) that your Organization/Government is implementing or plans to implement in support of the SAMOA Pathway and/or the SDGs for the biennium 2017-2018? (Please exclude Conferences and partnerships as this is covered in a separate section).

Name of Project/ Programme/ Activity	Themes/ Goals addressed		Target Countries, Regions, Sectors	Expected Achievements	Intervention Type (tech transfer, Capacity development etc.)	Total Budget (US\$)
	Samoa Pathway	SDGs				

The IMF supports the SDGs in SDS through its three basic functions: macroeconomic surveillance, program support and capacity development. Through these functions the Fund promotes:

- Strong, inclusive and sustainable growth with poverty eradication (SDGs 1-4, 8, 10)
- Closing infrastructure gaps in a sustainable way (SDG 6-7,9)
- Gender equity and inclusion (SDG 5,10)
- Policies to address climate change (SDGs 7, 12-13)
- Creating fiscal space for essential public service delivery (Several SDGs)
- Providing capacity building for strengthening institutions (SDG 16)
- Providing capacity building to strengthen national statistical systems and to develop SDG global indicator framework (Several SDGs)
- Domestic and global economic and financial stability (SDG 17)

The staff periodically updates the Executive Board on the Funds progress and deliverables under the under the 2030 Development Agenda.¹

Please find below greater details of how the Fund supported the SDS through its core functions.

Surveillance

As part of its mandate, the Fund has carried out economic surveillance and provided macroeconomic policy advice to SDS that are members of the Fund, through Article IV consultations on an annual basis.² In Article IV consultations, staff holds pointed discussions with country authorities on the economic situation, the authorities’ policies and how these affect the country’s stability and desirable policy adjustments. These discussions are reported to the Fund’s Executive Board for its consideration. The goal, through thorough analysis, candid discussions, and peer review, is to promote the stability of individual members’ economies and global economic and financial stability, which is a necessary condition for the effective operation of the international monetary system.

The Fund places great emphasis on growth in SDS, and the objective of its policy recommendations is the **promotion of strong, sustainable, and inclusive growth** for its member countries. If there is a situation where the needed macroeconomic policy adjustments may cause

¹ The Board was last briefed in May 2017.

² For some countries, the reports are produced once every two years.

temporary negative effects, the Fund also recommend policies that will protect the most needy groups in society and provide financial assistance to countries to ensure that the adjustment is as smooth as possible.

SDS have been recently challenged by potential de-risking and other unintended financial consequences, in particular through the disruption of **correspondent banking relationships** (CBRs). The Fund is playing a leading role in monitoring risks and advising its membership on policies to help tackle the adverse impacts from the withdrawal of CBRs. The Fund's role has included facilitating dialogue among stakeholders, fostering an enhanced understanding of the phenomenon in the context of surveillance and Financial Sector Assessment Programs (FSAPs) and providing technical assistance and training to help affected countries enhance their monitoring of CBRs and strengthen their legal, regulatory and supervisory frameworks. To achieve these objectives, the Fund has been collaborating on an ongoing basis with the Financial Stability Board, World Bank, G20, Financial Action Task Force, Arab Monetary Fund, Committee on Payments and Market Infrastructures, and other stakeholders. It has (i) set up an interdepartmental working group to facilitate the development of policy options; (ii) issued a Staff Discussion Note, *The Withdrawal of Correspondent Banking Relationships: A Case for Policy Action*, in June 2016, and a Board paper, *Recent trends in Correspondent Banking Relationships—Further Considerations*, in April 2017; (iii) featured the topic in Article IV consultations with advanced countries and hosted a high-level global conference in October 2016; (iv) carried out pilot studies for the Bahamas and Samoa to explore solutions to reduce and mitigate CBR disruptions and (v) intensified surveillance and capacity building efforts. Going forward, the Fund will continue to support its member countries in addressing issues arising from the withdrawal of CBRs to ensure financial stability and promote financial inclusion.

In collaboration with the World Bank, the Fund has carried out **Climate Change Policy Assessments** (CCPA) in Seychelles and St. Lucia in 2017. The CCPA is high-level assessment of climate mitigation, resilience, and financing strategies in countries vulnerable to climate change aimed at catalyzing climate finance. The CCPA is currently being conducted for Belize and is being planned for a number of other small countries in 2018.

In 2018, Fund updated its debt sustainability framework for low income countries to add a scenario stress test to assess risks related to natural disasters. This will help strengthen debt sustainability analysis for SDS that are prone to natural disasters, and allow countries to strengthen their medium term fiscal framework.

Program support

The Fund continues to play an important role in meeting small states' financing needs (Table 1). SDS are active users of the Fund's emergency financing facilities and instruments (RCF and RFI), which have been important sources of rapid liquid support. In May 2017, the Fund approved an increase in RCF and RFI annual access limits from 37.5 percent to 60 percent of new quotas for members facing severe disasters with damages assessed to be equivalent to or to exceed 20 percent of GDP. The financial support is accompanied by mutually agreed policies to secure macroeconomic stability and sustainable growth.

Table 1. IMF: Small States Program Engagement, FY2015 - present

Country	Program	Date of Arrangement	Actual/Current Expiration Date	Disbursed Amount (in millions of SDRs)
Seychelles	EFF	6/4/2014	6/3/2017	11.4
Grenada	ECF	6/26/2014	5/26/2017	14.0
Sao Tome & Principe	ECF	7/13/2015	12/31/2018	3.2
Suriname	SBA	5/27/2016	4/16/2017	58.0
Dominica	RCF	10/28/2015		6.2
Vanuatu	RCF-RFI	6/5/2015		17.0
St. Vincent and The Grenadine	RCF-RFI	8/1/2014		4.2
Comoros	SMP	10/1/2016		

Source: IMF.

Capacity Development

Fund engagement with SDS through capacity development (CD) and technical assistance (TA) activities in the areas of competency of the Fund remains significant (Table 2). They contribute effectively to helping SDS increase macroeconomic resilience and strengthen their institutional capacities in, among others, public financial management, tax policy and administration, banking sector supervision and central bank management, and statistics.

Table 2. IMF: Small States Technical Assistance, FY2015 - 17

	Technical Assistance (Person Years of Field Delivery ¹)			Training (Participant Weeks)			Training (Number of Participants)		
	FY2015	FY2016	FY2017	FY2015	FY2016	FY2017	FY2015	FY2016	FY2017
Caribbean	12.7	16.3	11.9	625.3	765.3	613.7	812.0	783.0	657.0
Asia-Pacific	8.8	8.8	8.0	651.0	521.6	447.0	597.0	456.0	349.0
Other Regions	8.7	8.1	10.3	341.4	497.7	549.1	251.0	356.0	403.0
Small States Total	30.2	33.2	30.3	1617.7	1784.6	1609.8	1660.0	1595.0	1409.0
IMF Total	287.6	302.5	300.3	14336.1	19282.8	19367.8	11408.0	14478.0	13826.0
SS in percent if IMF total	10.5	11.0	10.1	11.3	9.3	8.3	14.6	11.0	10.2

¹ An effective person year of field delivery of technical assistance is defined as 260-262 working days of Fund Staff or experts.

Source: IMF Institute; Travel Information Management System (TIMS) & Participants and Applicant Tracking System (PATs)

PART B

1. What challenges have you encountered in the implementation of the SAMOA Pathway, or in supporting SIDS to implement? What solutions or potential solutions have been or can be adopted to address these challenges?

N.A.

2. To what extent is your country capable of meeting the human and financial resource requirements for implementation of the SAMOA Pathway?

N.A.

3. To what extent has your country been able to access international development assistance required to implement the key aspects of the Samoa Pathway?

N.A.

PART C

1. For the year 2017, please describe any key results achieved as a result of ongoing work being implemented by your organization/Government in the thematic areas of the SAMOA Pathway. What impact, if any, has this had at national and/or regional levels.

PART D

1. Indicate the extent to which the issues and concerns of SIDS are given due consideration in conferences or similar processes organized or supported by your organization during year 2017. In your explanation, please include the purpose, frequency, size (funds, participation) of the conference.

	Title of the Process/Conference	Purpose	Average no. of participants every year	Please explain SIDS participation in the conference /process	Outcome document and how SIDS priorities are reflected in the documents.
1					
2					
3					
4					

The Annual and Spring Meetings of the IMF provide useful venues and opportunities for SDS to discuss issues among themselves and with other stakeholders, including Fund management and staff. The IMF has organized several high-level SIDS events at these meetings, focusing on infrastructure development, growth and diversification, and revenue mobilization.

Fund staff also regularly participates and organizes regional conferences on SDS issues. Recently, the Fund in partnership with the Government of Jamaica organized a high-level conference titled **Unleashing Growth and Strengthening Resilience in the Caribbean in November, 2017**. The conference, attended by the Fund’s Managing Director, addressed the key challenges and opportunities the region was facing. A book titled “Unleashing Growth and Strengthening Resilience in the Caribbean” launched at this conference addresses pertinent issues for the Caribbean like growth, unemployment, crime, fiscal sustainability, financial inclusion, emigration and remittances.

Regional conferences on CBRs was organized in Barbados in March 2017 followed by another one in Jamaica in Nov 2017. Furthermore, roundtable discussions on CBR were also organized in Sydney and Auckland in 2018 involving 70 participants including banks, money transfer operators, regulators and international financial institutions. The outcome of these roundtables are discussed in the *Asia Pacific Small States Monitor*, April 2018.

PART E

Have you implemented any new partnerships **during the year 2017?**

PART F

Please include any other information you may wish to share.

Please see below list of analytical work produced by Fund staff on small states.

Analytical Work on Small States 2013-2017

		Delivery date
Macroeconomic Issues in Small States and Implications for Fund Engagement	<i>Board paper</i>	2013
Staff Guidance Note on the Fund’s Engagement with Small Developing States	<i>Staff Document</i>	2014
Macroeconomic Developments and Selected Issues in Small Developing States	<i>Board paper</i>	2015
Small States Resilience to Natural Disasters and Climate Change—Role for the IMF	<i>Board paper</i>	2016
Large Natural Disasters—Enhancing the Financial Safety Net for Developing Countries	<i>Board paper</i>	2017
Staff Guidance Note on the Fund’s Engagement with Small Developing States	<i>Staff Document</i>	2017
Fiscal Policy Implications for Labor Market Outcomes in Middle-Income Countries; IMF Working Paper, WP/15/17	<i>WP</i>	2015
Africa on the Move: Unlocking the Potential of Small Middle-Income States	<i>Book</i>	2015
Chapters:		
- <i>Avoiding the Middle-Income Trap</i>		
- <i>Macroeconomic Vulnerability, Reserve Adequacy and Fiscal Policy</i>		
- <i>Fiscal Policy Implications for Labor Market Outcomes</i>		
- <i>Increasing Growth Potential</i>		
- <i>Financial Inclusion</i>		
- <i>Political Economy of Reform</i>		
SSA REO chapter “ Enhancing Resilience to Natural Disasters in Sub-Saharan Africa ”	<i>Flagship publication</i>	2016

Enhancing Resilience to Climate and Natural Disasters in Seychelles	<i>Selected Issues Papers</i>	2017
Seychelles: Climate Change Policy Assessment		2017
Asia and Pacific Islands Small States—Raising Potential Growth and Enhancing Resilience to Shocks	<i>Board paper</i>	2013
Fiscal Challenges in the Pacific Island Countries, Fiscal Monitor	<i>Flagship publication</i>	2014
Pacific Island Countries: In Search of a Trade Strategy; IMF Working Paper, WP/14/158	<i>WP</i>	2014
“Pacific Island Countries: Regional Integration and Growth Spillovers,” Regional Economic Outlook: Asia and Pacific	<i>Flagship publication</i>	2014
Strengthening Fiscal Frameworks and Improving the Spending Mix in Small States	<i>Board paper</i>	2015
Enhancing Macroeconomic Resilience to Natural Disasters and Climate Change in Small States of the Pacific; IMF Working Paper, WP/15/125	<i>WP</i>	2015
Resilience and Growth in the Small States of the Pacific	<i>Book</i>	Sep 2016
APD Small States Monitor	<i>Semi-annual publication</i>	
Challenges in Correspondent Banking in the Small States of the Pacific; IMF Working Paper, WP/17/90	<i>WP</i>	2017
Caribbean Small States—Challenges of High Debt and Low growth	<i>Board paper</i>	2013
Financial Interconnectedness and Financial Sector Reforms in the Caribbean; IMF Working Paper, WP/13/175	<i>WP</i>	2013
Debt, Growth and Natural Disasters: A Caribbean Trilogy	<i>WP</i>	2014
Labor Market Issues in the Caribbean: Scope to Mobilize Employment Growth; IMF Working Paper, WP/14/115	<i>WP</i>	2014
Revisiting Tourism Flows to the Caribbean: What is Driving Arrivals? IMF Working Paper, WP/14/229	<i>WP</i>	2014
Too Much of a Good Thing? Prudent Management of Inflows under Economic Citizenship Programs; IMF Working Paper, WP/15/93	<i>WP</i>	2015
Caribbean Energy: Macro-Related Challenges	<i>WP</i>	2016
Loss of Correspondent Banking Relationships in the Caribbean: Trends, Impacts, and Policy Options	<i>WP</i>	2017
Migration and Remittances in Latin America and the Caribbean: Engines of Growth and Macroeconomic Stabilizers?	<i>WP</i>	2017
Unleashing Growth and Strengthening Resilience in the Caribbean.	<i>Book</i>	2017
<i>Chapters include:</i>		
<i>-Unleashing Strong, Sustainable and Inclusive Growth in the Caribbean</i>		

-Reinvigorating Growth in the Caribbean

-Caribbean Tourism in the Global Marketplace: Trends, Drivers, and Challenges

-Cuba Awakening: Potential Risks and Opportunities

-Fiscal Challenges in the Caribbean: Coping with Natural Disasters