



**63rd COMMONWEALTH PARLIAMENTARY CONFERENCE
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Conference Workshop E - 6 November 2017

**SMALL JURISDICTIONS AND BIG PROBLEMS:
LOGISTICS AND INFRASTRUCTURE
CHALLENGES TO MEET SMALL JURISDICTION
EXPECTATIONS *Small Branches Topic***

Moderator:
Hon. Lim Biow Chuan,
MP (Singapore)

Discussion Leaders:

- Mrs Robyn Lambley, MLA (Northern Territory, Australia)
- Mr Charles Chauvel, (United Nations Development Programme)

Rapporteur:
Mr Roger Phillips
(Isle of Man)

This conference workshop focused on the issues and challenges surrounding logistics and infrastructure in the smaller jurisdictions of the CPA membership and was the topic proposed by the CPA Small Branches.

The delegates noted that there was a large variety between jurisdictions within the CPA, both in size and the level of development. There were problems in some jurisdictions in coping with a high demand for infrastructure but with a low national income.

Mrs Robyn Lambley, MLA (Northern Territory, Australia) explained that the Northern Territory was a large area with a small population. The Northern Territory was about ten times larger than Bangladesh but with a small population. One of the biggest challenges was providing good roads especially in tropical areas. There was a high demand for infrastructure with a small population. The main point of her presentation was that there was a high demand for infrastructure with a low Government income. The gap was bridged by Australian Federal Government support. This was done by way of the Goods and Services Tax (GST), which was pooled between the Australian States and then shared out on the basis of need, using horizontal fiscal equalization. The problem was how

to generate more revenue and ease the burden on the Federal Government.

There were limited options to deal with these issues including: raising taxes; seeking private funding; seeking partnerships with private enterprise; selling off assets; using economic development; lowering expectations and spending less.

These all had their problems, but the last one was probably the trickiest. The size of a jurisdiction was not an indicator of service level delivery. Some small jurisdictions had a very high level of development. On the other hand, there were some large jurisdictions with lower levels of service delivery.

Charles Chauvel (UNDP) asked whether size was an indicator of service level delivery. Some small jurisdictions have a high level of development and in some cases, a very high level of service delivery. On the other hand, there were some large jurisdictions with lower levels of service delivery. In fact, there was no correlation between size and service level delivery. Only four small jurisdictions had low service delivery: Swaziland; Papua New Guinea; the Solomon Islands; and Lesotho.

The United Nations had a twelve year aim to eliminate poverty via development and the UNDP. Charles Chauvel (UNDP) noted that Parliamentarians had to consider ways of creating

solutions to development challenges and the following possible actions were suggested:

- Recognizing that Overseas Development Assistance was very badly coordinated. Doubling-up was common and the selection of aid recipient was often irrational. Silo programming was an issue: if interventions were limited in subject then results were less good, so for example general sexual health aid was better for outcomes than focusing on HIV or other single issues.
- Recognizing that the Commonwealth and similar organizations could better coordinate aid. They could act as knowledge clearing houses for donors.
- Promoting knowledge using IT to enable better collaboration.
- Encouraging better developed jurisdictions to share benefits at the margins to people from less developed jurisdictions.

Hon. Catherine Namugala, MP, Deputy Speaker (Zambia) said that Zambia shared in these infrastructure problems and she asked about the use of public/private partnerships (PPP) in different Commonwealth jurisdictions and which model of PPP was the Northern Territory using?

Mrs Robyn Lambley, MLA (Northern Territory, Australia) replied that PPP had not been

used in the most recent big financial project in the Northern Territory but another financial route had been used. The PPP were not used because it would have taken a lot more time than the alternatives. In Australia, there has been a big push to use PPP and to use other partnership models with private enterprise. However there was a lot of public suspicion about PPP and the Australian Federal Government had said to Northern Territory that it had to find more alternative models.

Moderator Hon. Lim Biow Chuan MP (Singapore) said that Singapore had used PPP for different projects and a large sports stadium had been built in return for the right to operate the sports stadium. Part of the agreement was for the investors to come up with ideas for recouping the money invested. This saved on construction costs and also ensured that the stadium was used more often in order to get a return on the investment.

Charles Chauvel said that the UNDP had created a website www.agora-parl.org which had a finance model based on extractive industries and it discussed whether a PPP contract was good from the public perspective.

Dr Pramod Sawant, MLA, Speaker of the Legislative Assembly (Goa, India) described the initiative taken in various investment projects in their region which had reduced the logistic costs.

Shri Hitendra Nath Goswami, MLA, Speaker of the Legislative Assembly (Assam, India) noted that the use of PPP depended on the economic position of the people. A PPP created higher usage costs for the poor. There were practical difficulties in Assam because of the number of different languages and the size of the state. It relied on support from central Government and it needed considerable external support.

Rt Hon. Rebecca Kadaga, MP, Speaker of Parliament (Uganda) referred to the horizontal

equalization programme in Australia and asked what progress had been made and what it was used for.

Mrs Robyn Lambley, MLA (Northern Territory, Australia) replied that the horizontal equalization programme was used for a wide purpose. It had been used since 1933 and it was aspirational. It was not perfect but it was an attempt to ensure that all Australians had a fair access to services.

Mohammad Asghar (Oscar), AM (Wales) said that Wales was becoming more devolved and that PPP had been tried. Wales was semi-independent from the United Kingdom and there was an aim to bring justice closer to the people. Welsh law was being consolidated to create a greater identity for Wales. He asked about the disparity between legal systems in the Commonwealth and asked whether the systems should be brought closer together.

Hon. Angelo Farrugia, MP, Speaker of Parliament (Malta) pointed out that this had been dealt with in the CPA Small Branches Conference and that Small Branches can have useful experience in infrastructure and this can be shared successfully. He said that Branches can learn from each other and he gave as an example the modernization of the power station and building a new Parliament House in Malta, which had maximized European Union funding mechanisms.

Charles Chauvel (UNDP) said that the Commonwealth was the only organization other than the United Nations with such a variety of countries. There was a powerful opportunity to use the Commonwealth to organize the recipients' voices collectively. This was enabling the partnership of nations with donors acting in concert with recipients. Members of Parliament needed to stand up and speak about the organization of aid through oversight committees and other mechanisms.

Hon. Patrick Nsamba, MP (Uganda) agreed that recipients



needed a better say in what was done and what was needed to be done but the reality of the situation was that many recipients at present could not do this.

Hon. Dr Sorefan Mohamud Raffick, MP (Mauritius) noted that there was give and take in aid. Sometimes there were onerous conditions which were to the advantage of donors. He noted that India had given a large loan to Mauritius without conditions.

Mohammad Asghar (Oscar), AM (Wales) asked to what extent the CPA agreed that there was a need for legal coordination?

Moderator Hon. Lim Biow Chuan MP (Singapore) said that there was a wide variety of challenges because of the difference in conditions in various member countries. The discussion was aimed at helping to create awareness of the scope for exchanging ideas.

Hon. Fa'aulusau Rosa Duffy-Stowers, MP (Samoa) thought that it was interesting to hear about donor funding. She asked whether Parliamentarians could find out where aid was coming from and what it was for? Would the UNDP be able to identify problems which arose to enable Parliamentarians to scrutinize issues?

Charles Chauvel (UNDP) replied that it was essential for Members of Parliament to know how aid was being spent in their own countries. If that did not happen it was a problem with the national Parliament.

Government should publish what it gets paid in aid. It was important that the budget should include all sources of finance.

Hon. Sussana Rebecca Tsebe Dantjie, MP (North West Provincial Legislature, South Africa) thought that it was necessary to note the conditions attached to aid by some donors. Power relations were important.

Charles Chauvel (UNDP) commented that it should not be assumed that donor partners were always powerful. They were sometimes required to spend the money and usually development partners were inclined to negotiate. Recipient nations should take advantage of this where possible.

The four recommendations at the workshop were *endorsed* as follows:

- **Parliaments must ensure that governments enhance the policy and regulatory framework for market-led growth, whilst strengthening the financial sector to expand and better manage infrastructure.**
- **Small jurisdictions with limited funding and resources must be strategic, creative and competitive in addressing their unique logistic and infrastructure challenges.**
- **Knowledge and good practice sharing by Commonwealth parliaments at national and sub-national levels should wherever practicable be facilitated to help overcome resource gaps.**
- **The CPA should facilitate better knowledge sharing between Branches and be an advocate for better coordination of assistance from development partners to its Members.**