



THE THIRD
COMMONWEALTH HEADS OF GOVERNMENT REGIONAL MEETING
SUVA FIJI 14-18 OCTOBER 1982

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COMMONWEALTH HEADS OF GOVERNMENT REGIONAL MEETING

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FINAL COMMUNIQUE

1. Commonwealth Heads of Government from the Asia-Pacific region met in Suva from 14 to 18 October 1982. Seventeen countries attended the Meeting, namely, Australia, Bangladesh, Fiji, India, Kiribati, Malaysia, Maldives, Nauru, New Zealand, Papua New Guinea, Singapore, Solomon Islands, Sri Lanka, Tonga, Tuvalu, Western Samoa and Vanuatu. Fourteen were represented by their Presidents or Prime Ministers. The Prime Minister of Fiji, Ratu Sir Kamisese Mara, was in the Chair.

2. Heads of Government warmly welcomed to the Meeting the Republic of Maldives, which had become a Special Member of the Commonwealth earlier in the year.

POLITICAL TRENDS

3. Heads of Government expressed concern that the deterioration in the overall international situation had continued since their Meeting in 1980, and that this had led to a deepening sense of insecurity among people throughout the world. They noted that current international economic difficulties had clearly exacerbated political issues, not only in regard to East-West problems, but in relation to North-South problems as well.

4. Against this background, they drew special attention to the relevance of the recent Report to the General Assembly by the Secretary-General of the United Nations. They commended his appeal for a sustained effort to reinvest the United Nations, and particularly the Security Council, with the necessary means and authority to enable it to fulfil the task of maintaining international peace and security entrusted to it by its Charter. They strongly urged states to give thorough consideration at the current Assembly session to the Secretary-General's recommendations.

5. As at their previous Meetings, Heads of Government reaffirmed the inadmissibility of the use of force in international relations and of interference in the internal affairs of states, and stressed the need to resolve differences by peaceful means based on respect for sovereignty, independence, territorial integrity and equality. They recognised that adherence to these precepts and progress towards disarmament were essential and complementary aspects to the achievement of international security. They were therefore greatly disturbed by the failure of the international community to reach any agreement on the Comprehensive Programme for Disarmament considered at the recent United Nations Special Session devoted to disarmament. They expressed the hope that the World Campaign, which had been launched at the Special Session would help to create a climate of world public opinion that would bring effective pressure to bear on governments to tackle difficult disarmament issues with greater determination.

6. Heads of Government were gravely concerned that the conflicts in the Middle East remain unresolved and continue to threaten world peace and security. They stressed the urgent need to recognise the legitimate and inalienable rights of the Palestinian people, including their right to a homeland, and to seek a just settlement

of the problem on the basis of the relevant United Nations resolutions. They condemned Israel for its invasion of Lebanon and expressed their revulsion at the resultant death and devastation particularly in Beirut. They were deeply concerned at the grave consequences that these recent events could have for the prospects for any future settlement. Recognising that the untold human misery could not be undone they nevertheless urged the governments concerned to redouble their efforts to find an urgent solution to the problem, to enable the Lebanon and all peoples in the area to live in peace.

7. Heads of Government reaffirmed their total and unequivocal condemnation of apartheid perpetuated by the white minority regime in South Africa. They condemned the increasingly frequent military incursions by South Africa into the neighbouring states of Angola, Mozambique and Zimbabwe in an attempt to subvert the process of liberation in Southern Africa. They expressed deep concern at South Africa's delaying tactics over the negotiations for Namibia's independence on the basis of Security Council Resolution 435.

The Asia-Pacific Region

8. In reaffirming their commitment to the goal of establishing a zone of peace in the Indian Ocean, Heads of Government noted with alarm the increasing build-up of the Great Power military presence in the area which was taking place against the expressed wishes of the littoral and hinterland states. They endorsed the view expressed by the General Assembly that the projected United Nations Conference on the Indian Ocean was a necessary step towards implementing the 1971 United Nations Declaration. They called upon the Great Powers to take immediate action to reduce tension in the Indian Ocean area and urged all concerned to work towards the convening of the Conference without further delay.

9. Heads of Government expressed grave concern at the situation in and around Afghanistan and its implications both for the region's peace and stability and for international security. They reiterated their urgent call for a political settlement on the basis of the withdrawal of foreign troops and full respect for the independence, sovereignty and non-aligned status of Afghanistan and strict observance of the principles of non-intervention and non-interference. They were disturbed that none of the international initiatives designed to assist the affected parties to find a mutually acceptable solution had proved successful. They affirmed the right of the Afghan refugees to return to their homes in safety and honour. They urged all concerned to work towards a negotiated settlement which would leave the Afghan people free to determine their own future.

10. Heads of Government expressed grave concern at the persistence of foreign military intervention and interference in Kampuchea which has aggravated tension and instability in South East Asia. They reiterated their concern that if the situation remains unresolved, it would only invite greater involvement by major powers in the affairs of the region. They reaffirmed the need for all states to strictly adhere to the fundamental principles of non-interference in the internal affairs of other states, respect for the sovereignty and territorial integrity of states and non-recourse to the use or threat of force in settling disputes. They stressed that it was imperative for a comprehensive political solution to be found to the Kampuchean question on the basis of the total withdrawal of all foreign forces from Kampuchea, and the restoration of the independence, sovereignty, and neutrality of Kampuchea so as to enable the people to determine their future free of outside interference. In this regard Heads of Government noted developments on Kampuchea since their last discussion including the formation of the coalition government of Democratic Kampuchea and the announcement of the Government of Vietnam of a partial withdrawal of its forces from Kampuchea and its consultations with other countries of the region. They hoped that the prospect of a political solution to the problem would be enhanced.

11. Heads of Government noted with approval the efforts to establish a Zone of Peace, Freedom and Neutrality (ZOPFAN) in South East Asia, and they called upon all states to fully support those efforts. They expressed concern that the unresolved Kampuchean question continues to pose a serious obstacle to the realisation of ZOPFAN. They therefore urged that efforts towards a comprehensive political solution of the Kampuchean question be intensified so as to achieve lasting peace in the region.

12. Heads of Government agreed that the South Pacific was an area of great economic and strategic importance and endorsed the concern expressed for the security of the area. They agreed that any intrusion of Great Power rivalry in the South Pacific would introduce a new and undesirable element of instability.

13. Heads of Government were concerned at the persistence of the problem of refugees/illegal immigrants from Indo-China. They expressed their appreciation to the countries providing transit and final settlement. They reiterated the view that the problem should be tackled at its source and urged the countries primarily responsible for the situation to create an environment in which the peoples of Indo-China could live in peace and harmony. They hoped that, pending a political solution to the conflicts in Indo-China which were the root cause of the problem, the countries concerned would continue to co-operate by preventing further illegal departures and by working with UNHCR and resettlement countries to implement the programme of orderly departures.

14. Heads of Government strongly reaffirmed the conviction expressed in the Melbourne Communique the previous year, that the peoples of the South Pacific should be given the opportunity to exercise their right of self-determination and independence in accordance with principles laid down in the United Nations Charter. They noted with satisfaction the assurances which the President of France had given earlier in the year to the special South Pacific Forum mission led by the Prime Minister of Fiji. Heads of Government acknowledged the efforts of the Kanak people of New Caledonia towards the attainment of self-determination and independence by peaceful means. They welcomed the French Government's programme for reforms in the territory and expressed the hope that these reforms would assist the Kanaks in their efforts towards a smooth and speedy transition to independence.

15. Heads of Government took note of the desire of the South Pacific island states to establish their region as a nuclear weapon-free zone, recalling the resolution already adopted on the subject by the United Nations General Assembly in 1975. They agreed that the continuation of nuclear weapon testing in the region was a matter for deep concern. They fully supported the South Pacific Forum's strong condemnation of France's continued test programme as well as its failure to provide information on the effects of past tests on the human and natural environment of the Pacific. They also expressed anxiety over the possibility of the South Pacific becoming an international dumping ground for nuclear waste and called on all states to desist from the storage or dumping of nuclear wastes in the Pacific.

16. Heads of Government welcomed the adoption in April 1982, of the new comprehensive Convention on the Law of the Sea, which had been the fruit of nine years of painstaking negotiations and which was of special significance to the countries of the region. At the same time they deeply deplored the declared decision by the United States not to become a party to the Convention. Observing that a number of other developed states had abstained in the vote on its adoption, they recognised that the lack of active support from these states could seriously undermine the effectiveness of an instrument that was designed to establish an international regime for the equitable and orderly management of the resources of the sea to the benefit of developed and developing countries alike. They therefore strongly urged all states to sign the Convention at the forthcoming signing conference in 1982 and to proceed to the ratification process without unnecessary delay.

World Economic Situation

17. Heads of Government expressed grave concern at the continuing deterioration of the world economy and in international economic co-operation. Inflation was continuing at high levels. Living standards were declining in many countries and unemployment, already high, was still increasing, particularly among the young. The deepening economic crisis had dangerous consequences for the social and political fabric of societies. Its impact was severest on developing countries, particularly the least developed countries. Increasing numbers of developing countries were experiencing declining per capita incomes. Balance of payments deficits and debt servicing burdens had become dangerously high for many countries, and this had been exacerbated by high interest rates and reduced demand in export markets. The situation in low income countries was particularly acute. Against the background of their limited access to capital markets, deteriorating external payments were imposing severe contraction on growth rates that were already at critical levels. Heads of Government warned that the situation was becoming politically explosive in many developing countries. Problems of recovery and development, they stressed, now required immediate action in the form of appropriate policies and measures.

18. Heads of Government welcomed the recent reductions in inflation and interest rates in the major industrialised countries. They underlined, however, the urgent need for policies to bring about non-inflationary economic growth. They regarded continued progress in lowering interest rates as crucial. They agreed that vigorous joint and co-ordinated remedial international action could not be further postponed. Bold decisions were required and it was extremely important that the opportunities presented by forthcoming meetings - the GATT Contracting Parties at Ministerial level in November 1982, the IMF Interim Committee in April 1983 and UNCTAD-VI in June 1983 - were not missed.

19. Heads of Government noted with concern the continuing stalemate in launching Global Negotiations. While differences had narrowed, the impasse had continued. They expressed the hope that the political resolve evident at the Commonwealth Heads of Government Meeting in Melbourne and the summits of Cancun and Versailles would be brought to bear to clear the way for an early start to the Negotiations. They emphasised the need for a special effort at the current session of the United Nations General Assembly to resolve outstanding difficulties. They reiterated the need for parallel, concurrent and immediate action in critical areas such as trade, energy, food and finance.

20. Heads of Government welcomed the decision of the recent Meeting of Commonwealth Finance Ministers to request the Commonwealth Secretariat to undertake an overall examination of the international trade and payments system and in particular the role of the international economic institutions without prejudice to action on immediate measures. In view of the vast changes that had taken place since the establishment of the Bretton Woods institutions and of the evident malfunctioning of the international economic system, they agreed that the time was most opportune for such an examination. They looked forward to its results with great interest. They expressed the hope that the study would help to focus attention on a comprehensive examination of the world's trade and payments system.

21. Without prejudice to Global Negotiations, but mindful of the emergency facing the world economy, Heads of Government noted with appreciation the New Zealand proposal for a review of the Bretton Woods system. Acknowledging the need for an appropriate review and for reform of the world's trading and payments arrangements on lines responsive to contemporary needs and realities, they agreed that their governments would give particular attention to it in the light of the study Commonwealth Finance Ministers had commissioned from the Commonwealth Secretariat.

Heads of Government considered the report on Protectionism by a Group of Experts headed by Sir Alec Cairncross. They agreed that it made a uniquely important contribution to the consideration of protectionism as it affects developing countries. Accordingly they decided that the Secretary-General should make available a copy of the report to the Director-General of GATT for circulation at the forthcoming GATT Ministerial meeting. It would be desirable for Commonwealth Ministers attending the GATT meeting to endeavour to see that the outcome of that meeting reflects as much as possible the recommendations of the report by the Group of Experts.

23. Heads of Government agreed that two central issues on the international economic agenda were creeping protectionism and growing disorder in the international financial system. While not seeking to postpone consideration of other important issues, they believed these two were crucial to both development and recovery and required immediate attention and action.

Financial Issues

24. Heads of Government recognised that there had been fundamental political and economic changes since the framework for international economic co-operation had been established at Bretton Woods and Havana. Within the last decade, high and differential rates of inflation had disturbed exchange rates, economic activity had slowed and balance of payments deficits and surpluses had emerged of a persistent rather than cyclical character. While recognising that sound domestic policies to foster adjustments were among the essential prerequisites to world economic recovery and development, they stressed that features of the present trade and payments systems were not conducive to an orderly adjustment process.

25. They were concerned over the mounting debt problems of many developing countries and their growing reliance on such shorter-term commercial borrowing as cannot be sustained. Agreeing that the IMF, the IBRD and its associated bodies should continue to play a key role, they considered that a review of these institutions was desirable to enable them to adapt more adequately to present-day conditions. They saw the need for greater resources to facilitate longer-term finance for adjustment, and a more realistic application of conditionality. They stressed the importance of reaching agreement at the April meeting of the Interim Committee for a very substantial increase in quotas under the Eighth General Quota Review.

26. In view of the desperate situation facing most low income and least developed countries, Heads of Government voiced disappointment that aid flows were again declining in real terms. They called on all donors to make special efforts to increase ODA to meet internationally agreed targets and to provide the necessary support for facilitating adjustments in developing countries.

27. Heads of Government recognised the substantial contribution that IDA had made in transferring concessional resources to low-income countries. They welcomed the recent efforts by many donors to ensure that IDA flows were not disrupted by the decision of the United States to stretch out its IDA VI replenishment. They called for early agreement on a replenishment level for IDA VII which would ensure an increase in real terms in keeping with past trends and the urgency of satisfying present needs for concessional finance.

28. Noting that the growth rate in World Bank lending remained significantly below the target of 5 per cent in real terms, Heads of Government called for special efforts to expand the Bank's operations. They noted its efforts to increase co-financing, but stressed that the Bank's development role must be preserved and that this required continued expansion of its own resources and lending.

International Trade

29. Heads of Government considered that protectionism posed a threat to the multilateral trading system, impaired the ability of deficit countries to service and repay loans through increased export earnings, and hampered the development efforts of developing countries. Noting that the Australian proposals initially for a standstill and subsequently for a phased-in windback of all forms of protection having a trade distorting effect could help significantly in revitalising the world economy, they were of the view that developing countries in particular would benefit from any relaxation of trade distorting measures and that such relaxation would assist world economic recovery to the benefit of all.

30. Heads of Government reaffirmed their commitment to an open international trading system and viewed with alarm the growing disregard for basic principles and rules such as non-discrimination, transparency and predictability. They fully supported the need to reinforce these rules.

31. Heads of Government agreed that the GATT Ministerial meeting must bring about a complete standstill on protection and must establish arrangements to facilitate the reduction of protectionist barriers. They emphasised the importance of an effective non-discriminatory safeguards system under which new protectionist measures would be discouraged and orderly marketing arrangements such as the Multi-fibre Arrangement and voluntary export restraints would eventually be phased out. Recognising that little progress had so far been made in dismantling agricultural protectionism, they urged the development of an approach to overcome the obstacles posed by the close relationship between agricultural protectionism and domestic agricultural policies. They agreed in this context that an early start should be made in reducing export subsidies adopted by developed countries to support their agriculture. They stressed the importance of improving the disputes settlement procedures under the GATT and of all countries adhering to the decisions and disciplines involved.

Commodity Problems

32. Heads of Government expressed great concern at the sharp decline in commodity prices in recent years and the disastrous effect this was having on the terms of trade of many developing countries. Current trends demonstrated the vital importance of commodity price and export earnings stabilisation arrangements and the need to redouble efforts to secure their establishment. They agreed that early relief could be given by more adequate provision for meeting export shortfalls through the liberalisation of access to the IMF Compensatory Financing Facility. The situation also called for innovative approaches including increased emphasis on co-operation among producing countries to protect themselves against the vagaries of international commodity markets.

Energy

33. Heads of Government were of the view that the present softness of the oil market should not lull the international community into inaction on the energy front. They stressed that immediate consideration should be given to devising special arrangements to meet the energy needs of low income and least developed countries facing difficult balance of payment problems and to facilitating increased availability of international financing for development of their indigenous energy resources including the establishment of the energy affiliate of the World Bank. They welcomed the concessional arrangements for the purchase of oil introduced by several oil exporting countries such as Mexico, Venezuela, and Trinidad and Tobago for central American and Caribbean countries and Nigeria for African countries, and urged wider application of similar measures encompassing other geographical zones.

Food Problems

34. Heads of Government expressed deep concern over the critical and worsening food situation faced by many developing countries, particularly the least developed countries. There was an urgent need for a dependable system of world food security. They called for early establishment of an international grains arrangement which should recognise the special needs of developing countries. They urged that effective steps be taken to meet the food aid target agreed in the International Development Strategy for the Third United Nations Development Decade. They stressed the importance of providing adequate financial and technical resources to enhance food production.

REGIONAL ECONOMIC AND FUNCTIONAL CO-OPERATION

35. Heads of Government recognised that programmes of practical co-operation designed to assist the process of development were an important product of their deliberations and they noted with satisfaction the progress achieved in this regard by the Consultative/Working Groups set up at earlier meetings. They agreed that the work of the Groups should be continued with greater emphasis on a practical, action-oriented approach. They further agreed that one of the major objectives of the programmes of functional co-operation was to assist the small island countries of the region to overcome their special problems of development.

36. While calling for an expansion of CFIC support for all developing countries of the region, they welcomed the enhanced programmes of assistance to the small island countries undertaken by the CFIC through regional and functional programmes and in collaboration with CHOGRM Groups. They expressed particular appreciation for the assistance provided by the CFIC in the implementation of the Pacific Regional Advisory Service which has been established within the South Pacific Bureau for Economic Co-operation, and for the financial assistance pledged by the Australian Government for the Secretariat to facilitate CHOGRM states to have permanent representation at the United Nations.

Trade

37. Heads of Government emphasised the importance of continuing to pursue efforts to facilitate the liberalisation of trade within the region and to bring collective pressure to bear on barriers in the major industrialised countries to exports from CHOGRM countries. They recognised the importance of the GSP as an instrument for promoting further trade liberalisation within the region and urged the developed countries in the region to accord careful and sympathetic consideration to proposals aimed at achieving an expansion of product coverage and a deepening of preferences for the exports of developing member countries. They noted the view of developing countries that the more advanced countries within the region could play a dynamic role in increasing regional trade by reducing their import barriers. In this context they welcomed the initiative of Australia and New Zealand in establishing the SPARTECA Agreement which provides for duty free, unrestricted access for the Forum island countries. They directed the CHOGRM Trade Group to consider the recommendations of the various studies it had commissioned with a view to their practical implementation.

38. Heads of Government recognised that considerable scope existed for Asian and Pacific Commonwealth countries to increase their exports to destinations both within and outside the region. They noted however, that infrastructural facilities for trade needed to be developed or strengthened; opportunities for trade had to be identified and technical assistance was required if they were to be exploited. Heads of Government noted the facilities available within the Export Market Development Division of the Secretariat to take up an extensive range of projects to develop and

and the trade of the countries of the region and the considerable work that had already been done in the region by the Division. They endorsed the recommendation of the Trade Group that the Secretariat should increase the level of its activity in export development in the Asian and Pacific region and agreed that additional funds should be provided to make this possible.

39. In endorsing its report Heads of Government requested the Trade Group to continue its work within its present mandate and to take due regard of, inter alia, the decisions of the GATT Ministerial meeting in determining its priorities for future work.

Energy

40. Heads of Government endorsed the Report of the Consultative Group on Energy. They noted with satisfaction that the Group was now entering a new phase of activities in which a concrete programme of demonstration projects will be undertaken. They welcomed the recent initiatives taken in identifying projects and sites for the establishment of renewable energy systems and energy conservation technologies for purposes of demonstration, evaluation and training. They also welcomed the willingness of Australia and India to support the installation of some of these systems as part of the programme. They also noted with satisfaction that the Group's activities in the South Pacific will in future complement and supplement the Pacific Energy Programme co-ordinated by SPEC. They also agreed that the services of CRRERIS be extended to SPEC.

41. Noting that there exists scope for co-operation in respect of feasibility studies, consultancy services, project execution, etc., Heads of Government agreed that the scope of activities of the Group should be expanded to help promote such co-operation in commercial scale energy projects in countries of the region.

Industry

42. Heads of Government considered the Report of the Working Group on Industry and noted with appreciation the thrust of its work in assisting member countries, especially small island states, toward the achievement of tangible results in industrial projects. They commended the work of the Industrial Development Unit (IDU) of the CFIC in providing the necessary technical and field services for the establishment of projects on the ground. They noted with satisfaction that the viability of more than seventy industrial projects, mainly in the small scale and agro-based sectors, has been established in the region and that their progress toward implementation has been facilitated by inputs of technology, engineering, information exchanges, technical collaboration, entrepreneurship development and investment flows.

43. They noted the arrangements effected by the Group for co-ordination with SPEC and other international agencies and expressed gratitude for the financial and other practical assistance provided by individual member countries. Heads of Government also approved the future programme of work as proposed in the Group's Report which could lead to further progress in the implementation of projects.

Agriculture

44. Heads of Government considered the Report of the Expert Study Group on Agricultural Research and Development set up by the Secretary-General in response to their request made in New Delhi in 1980. They endorsed the views expressed in the Report on the priority needs of member countries of the region and its recommendations relating to the upgrading of professional skills; the exchange of publications and research materials between member countries; greater dissemination of information through more efficient utilisation of existing information services; and the

ngthening of programmes of specialist training using existing institutions within region. They agreed that in order to provide a central focus for the various activities proposed a Consultative Group on Agriculture should be established and accepted the offer of Sri Lanka to act as convener of the Group.

Illicit Drugs

45. Heads of Government complimented the Working Group on Illicit Drugs whose work had contributed to the awareness of the problems associated with drug trafficking and the need for co-operation among Commonwealth and other countries in the region. Its deliberations had demonstrated that the problem of illicit drugs constituted a threat to the security, stability and social order of a nation. They endorsed the recommendation of the Working Group that since the Group had fulfilled its mandate it should only meet in the future at the request of member countries as and when the need arose.

Maritime Issues

46. Heads of Government recognised the critical importance of maritime issues to all members of the region. They noted, in particular, the complexity, diversity and interrelated nature of these matters which were of both political and economic significance to governments. They welcomed the suggestion of the Secretary-General that potential exists for co-operation among member governments in this area and expressed appreciation for the specific proposal of the Government of Australia for the commissioning of a report on such co-operation. Heads of Government therefore asked the Secretary-General after further consultations with governments as appropriate, to convene a small group of experts from multidisciplinary backgrounds to prepare a report to be available as early as possible. This report should assess what activity is already being carried out on a regional, multilateral and bilateral basis and should identify possible new areas which might be taken up and whether scope exists for complementing existing programmes.

Human Resources

47. Heads of Government recognised that shortages of trained manpower constituted a major constraint on development, particularly in the small island countries. Gaps in the availability of human resources existed in a wide range of technical and professional fields throughout the region and Heads of Government acknowledged that considerable scope existed for additional training facilities and programmes. They agreed that each of the Consultative/Working Groups should give greater emphasis to the development of skills through training programmes and specialist attachments, making maximum use of existing institutions wherever relevant.

Employment/Labour

48. Heads of Government welcomed the outcome of the First Meeting of Commonwealth Ministers of Employment/Labour, held in Geneva on 1 June 1982, which had been arranged in response to the request by Commonwealth Heads of Government at their Meeting in Melbourne in October 1981. They expressed the view that greater Commonwealth co-operation on important employment and labour issues, including education and training and manpower development, was desirable and looked forward to receiving specific proposals from the 1983 meeting of Employment/Labour Ministers.

Funding

49. Heads of Government, recognising that the work of the Consultative/Working Groups had entered a more action-oriented phase, took the view that regional functional co-operation required a firmer basis for mobilising regional financial

sources. They agreed that additional earmarked contributions from member countries, on a voluntary basis, should, through a special account within the CFTC, be used to finance activities undertaken at the request of the Groups on Trade, Energy, Industry and Agriculture and to meet the costs of the new Study Group on Maritime Issues. The CFTC, in pursuance of its normal activities in the region would continue to respond to requests for assistance from individual member governments and regional institutions. They expressed the hope that these financial resources would be supplemented from other international sources including the United Nations development system.

Appreciation and Next Meeting

50. Heads of Government welcomed with great pleasure the opportunity of their meeting in Suva and expressed their appreciation of the excellent arrangements made for the Meeting and the warm and friendly hospitality of the Government and people of Fiji. They accepted with pleasure the invitation of the Government of Papua New Guinea to hold their next Meeting there in about two years.