Micronesia





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Table of Contents

Chapter 1	1
Country Overview	1
Country Overview	2
Key Data	3
Micronesia	4
Pacific Islands	5
Chapter 2	7
Political Overview	7
History	8
Political Conditions	10
Political Risk Index	15
Political Stability	29
Freedom Rankings	44
Human Rights	56
Government Functions	58
Government Structure	60
Principal Government Officials	62
Leader Biography	64
Leader Biography	64
Foreign Relations	66
National Security	68
Defense Forces	69
Chapter 3	71
Economic Overview	71
Economic Overview	72
Nominal GDP and Components	74
Population and GDP Per Capita	75
Real GDP and Inflation	76
Government Spending and Taxation	77
Money Supply, Interest Rates and Unemployment	78
Foreign Trade and the Exchange Rate	79
Data in US Dollars	80
Energy Consumption and Production Standard Units	81

Energy Consumption and Production QUADS	82
World Energy Price Summary	83
CO2 Emissions	84
Agriculture Consumption and Production	85
World Agriculture Pricing Summary	87
Metals Consumption and Production	88
World Metals Pricing Summary	90
Economic Performance Index	91
Chapter 4	103
Investment Overview	103
Foreign Investment Climate	104
Foreign Investment Index	106
Corruption Perceptions Index	119
Competitiveness Ranking	131
Taxation	140
Stock Market	141
Partner Links	141
Chapter 5	142
Social Overview	142
People	143
Human Development Index	144
Life Satisfaction Index	148
Happy Planet Index	159
Status of Women	168
Global Gender Gap Index	171
Culture and Arts	180
Etiquette	181
Travel Information	182
Diseases/Health Data	190
Chapter 6	196
Environmental Overview	196
Environmental Issues	197
Environmental Policy	198
Greenhouse Gas Ranking	199
Global Environmental Snapshot	210
Global Environmental Concepts	221

International Environmental Agreements and Associations	235
Appendices	259
Bibliography	260

Chapter 1 Country Overview

Country Overview

MICRONESIA

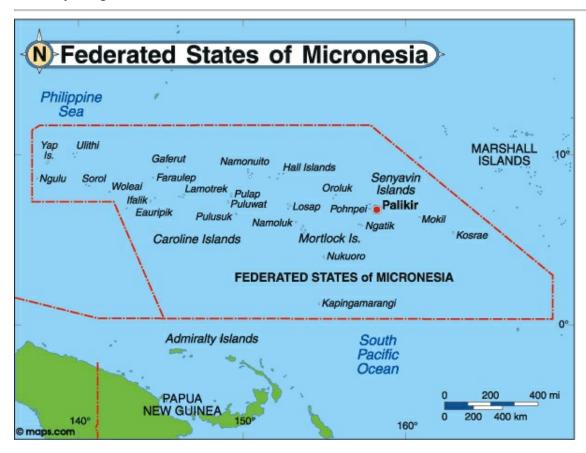
The Federated States of Micronesia, an island country in the North Pacific Ocean, consists of some 600 islands grouped into four states. Micronesia came under control of Germany in 1899, and following World War I, Japan took control of the country in 1919. After World War II, these islands became part of the United Nations Trust Territory of the Pacific Islands, administered by the United States. In 1986 Micronesia attained independence under a Compact of Free Association with the U.S., which was amended and renewed in 2004. Like many island countries, geographic isolation and undeveloped infrastructure present major barriers to Micronesia's economic growth. Micronesia has been heavily dependent on external grants since gaining independence in 1986. The most important source of aid has been U.S. financing provided under the Compact of Free Association to help foster sustainable economic development.

Key Data

Key Data	
Region:	Pacific Islands
Population:	105216
Climate:	tropical; heavy year-round rainfall, especially in the eastern islands; located on southern edge of the typhoon belt with occasional severe damage.
Languages:	English (official) Trukese Pohnpeian Yapese Kosrean
Currency:	1 United States dollar (US) = 100 cents
Holiday:	Proclamation of the FSM is 10 May (1979), Micronesian Day is 12 July
Area Total:	702
Area Land:	702
Coast Line:	6112

Micronesia

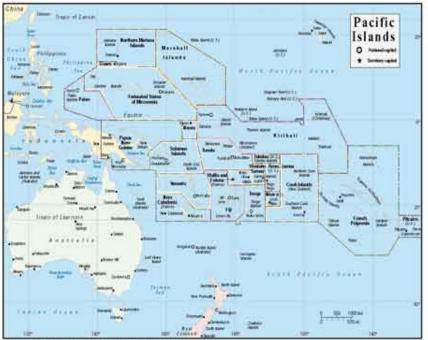
Country Map



Pacific Islands

Regional Map

Regional Map



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Micronesia

Chapter 2 Political Overview

History

The colonial history of the The Federated States of Micronesia (FSM) began in the 16th century. In 1525, Portuguese navigators in search of the Spice Islands (Indonesia) came upon Yap and Ulithi.

Spanish expeditions later explored the rest of the Caroline Islands and made the first European contact with native peoples there. The Spanish empire claimed sovereignty over the Caroline Islands until 1899. Spain sold the islands to Germany in that year, facing insurmountable management challenges in its Pacific empire as war with the United States loomed.

The German administration of the Caroline Islands encouraged the development of trade and the production of copra (dried coconuts). In 1914, however, German administration ended when Japanese naval squadrons took possession of the Caroline Islands, the Marshall Islands, and the islands of the Marianas.

After World War I, Japan received a formal mandate to administer the islands from the League of Nations. In the 1920s and 1930s, Japanese economic interest and settlement in the islands took on considerable dimensions. The Japanese population in Micronesia exceeded 100,000, compared with an indigenous population of about 40,000 at the time. Sugar cane, other tropical crops, mining and fishing and were developed as major industries.

World War II abruptly ended the relative prosperity experienced during the period of Japanese civil administration. Occupation by the Japanese military resulted in exploitation of the population to the point of impoverishment. Along with many neighboring island territories, the Micronesian chain was the scene of bitter fighting between Japanese and Allied forces; bombing destroyed most of the infrastructure.

The United Nations established the Trust Territory of the Pacific Islands (TTPI) in 1947, and the United States took on the role of trustee, the administering authority. The TTPI consisted of the four island groups that later became the states of the Federated States of Micronesia, along with Palau, the Marshall Islands, and the Northern Mariana Islands.

Under terms of the trusteeship agreement, the TTPI was a "Security Trusteeship," whose ultimate disposition was to be determined by the United Nations Security Council. As trustee, the United

States was to promote the economic advancement and self-sufficiency of the territory's inhabitants. The TTPI remained under the civil administration of the United States Navy until 1951, when authority passed on to the Department of the Interior.

Demands for local autonomy rose during the postwar decolonization era, and in 1965 the Congress of Micronesia was formed. In 1967, a commission was established to examine the future political status of the islands. In 1970, it declared Micronesians' rights to sovereignty over their own lands, to self-determination, to devise their own constitution, and to revoke their association with the United States.

In 1977, United States President Jimmy Carter announced that his administration intended to terminate the trusteeship agreement.

Originally, Chuuk (formerly Truk), Pohnpei (formerly Ponape), Kosrae (formerly Kusaie), and Yap -- the four current Federated States of Micronesia states -- were to be united with Palau and the Marshall Islands, so that the entire TTPI would achieve sovereignty and self-determination as a single entity. Palau and the Marshall Islands, however, rejected the notion of such a union.

On July 12, 1978, following a constitutional convention, the Federated States of Micronesia put forth a constitution that provided for federation of the four states noted above.

On May 10, 1979, the four districts ratified the constitution, and the nation came into being. Each of the four states eventually adopted its own constitution as well.

Upon the promulgation of the Federated States of Micronesia constitution in 1980, nationwide elections were held to elect officials of the national and state governments. Tosiwo Nakayama, the former president of the Congress of Micronesia, became the first president of the Federated States of Micronesia and formed a cabinet. The new Congress of the Federated States of Micronesia convened, and began to enact laws for the new nation; a judicial system was also established. Economic self-sufficiency, however, remained a dim prospect, in part because private sector growth in the Federated States of Micronesia had never been encouraged by the TTPI administration.

The United States recognized the Federated States of Micronesia constitution and government, and entered a period of orderly transfer of governmental functions, consistent with the terms and intent of the United Nations Trusteeship Agreement. In October 1982, the United States signed a Compact of Free Association with the Federated States of Micronesia. Under the compact, the Federated States of Micronesia became an independent entity, responsible for its own internal and foreign affairs, while the United States remained responsible for defense and security. The compact was both approved by plebiscite and ratified by the Federated States of Micronesia's Congress in 1983.

Formal administration by the United States finally ended in November 1986 and the Federated States of Micronesia became self-governing. The termination of the trusteeship agreement was ratified by the United Nations in 1990, and finalized the next year. In 1991, the Federated States of Micronesia both achieved full independence and became a member of the United Nations.

Note on History: In certain entries, open source content from the State Department Background Notes and Country Guides have been used. A full listing of sources is available in the Bibliography.

Political Conditions

Overall, democracy has functioned well in The Federated States of Micronesia (FSM). There are, however, no political parties in existence. Candidates who seek to election to the Congress are non-partisans. The top executive offices of president and vice president are at-large senators elected by the Congress of the FSM, as noted previously in this review.

After the implementation of the FSM constitution in 1980, Tosiwo Nakayama, the former president of the Congress of Micronesia, became the first president of the FSM. John Haglelgam succeeded Nakayama in the presidency in 1987.

The 1991 elections marked the first held in the FSM after full independence. At this time, the Congress elected Bailey Olter of Pohnpei as president and Jacob Nena of Kosrae as vice president. The two were re-elected to a second four-year term in March 1995. However, in July 1996, President Olter was incapacitated by a stroke. Vice President Nena became acting president while Olter underwent major surgery in Hawaii and commenced an extended convalescence in the United States.

In the 1997 elections, all 14 members of the Congress were re-elected. Jacob Nena, the former vice president and acting president, was inaugurated as the new president. Leo Falcam became the new vice president.

In January 1999, three popular initiative petitions for amending the constitution of Micronesia were submitted for approval to be included on the general elections ballot in March 1999.

The first amendment was to give each state ownership of all resources within its boundaries, including those in the 200-mile Exclusive Economic Zone. The second amendment was to increase

the states' share of national tax revenues from 50 to 70 percent. The third amendment was to divide the gross revenues from the marine resources in each state's Exclusive Economic Zones equally between state and national governments. However, President Nena did not allow the inclusion of these amendments on the general election ballot. He gave as a reason the short time that voters would have to consider the implications of the amendments.

In the general elections of March 1999, 14 non-partisan candidates were elected to Congress. From those elected, former Vice President Leo Falcam was elected president; Redley Killion was elected vice president. President Falcam was inaugurated in July. Nena's last official act as president was to establish a trust fund for the country to help pay for the operating costs of the national government.

After the elections, leaders of Pohnpei state, the home state of Leo Falcam, requested changes in the national and state government. Specifically, they sought greater efforts in negotiating a new economic relationship with the United States, policies to stimulate foreign investment, and state government control over local resources.

Provisions enacted under the Compact of Free Association with the United States were due to expire in 2001. A renegotiation process to extend and perhaps modify the compact began in 1999. In May 2000, FSM officials announced that they had requested continuation of the present level of United States economic assistance, US\$84 million annually, plus US\$20 million per year that the government of the United States would pay into a trust fund. The trust fund monies would accrue and be invested; annual trust fund payments by the United States would last for about 20 years, at which point the fund would provide sufficient income to support FSM government operations.

United States negotiators responded that the United States' government was not willing to pledge a fixed amount of assistance over the long term. Another possible sticking point in renewal of the FSM's compact with the United States was the increasingly problematic issue of immigration. The three former trust territories that signed a Compact of Free Association with the United States when they achieved independence -- Micronesia, the Marshall Islands and Palau -- all enjoy, as part of the agreement, unrestricted travel by their citizens to the United States. An estimated 10,000 to 15,000 people from these island states have taken up residence in the United States in the last decade and are considered illegal aliens. The United States has been considering imposing visa requirements on the islanders as a condition for renewal of the Compact of Free Association.

In January 2001, another round of negotiations for forging a second 15-year Compact of Free Association between the United States and the FSM was held in Hawaiian capital of Honolulu. With the existing compact ending in December 2001, a new agreement had to be reached and ratified by the United States Congress as well the FSM Congress before it can come into effect. In its own proposal, submitted prior to the January negotiations, the FSM had requested a continuation of the current compact provisions which commits the United States to an annual

funding of US\$84 million to the FSM.

At the meeting, the United States presented its own proposals for the new compact. In its proposal, the United States gave up its earlier resistance to a continued annual funding. However, it called for a cut in its annual funding and also called for other developed countries as well as international aid organizations to participate in the aid to the FSM. The United States also offered \$74 million to FSM in annual aid, an amount considered inadequate by the FSM government. For its part, the United States also insisted that the FSM could easily sustain a reduction in the annual assistance. The United States also insisted that future assistance should focus on meeting health, education and infrastructure needs. As well, the United States proposed accountability mechanisms for the new compact, which require accountability reports filed each year before the next grant is released. This was resisted by the FSM negotiators who called for continuing with the current system of automa tic transfer of funds on a calendar timetable. The new compact proposals also included the establishment of an FSM trust fund, which would earn interest and provide significant and sustained government revenue, acting as an alternative source of funds for the FSM.

Justifying its emphasis on a lower annual grant to the FSM, the United States said FSM's debt service payments of about \$5 million would come to an end soon and that the country could also save about \$10 million each year by ending the practice of appropriating funds directly to legislative offices for special projects. The United States also urged the FSM government to reach a settlement soon, cautioning that any signed deal would still take about a year before it could be ratified by the United States Congress and hence, come into effect in time to replace the existing compact by early 2002.

In the elections, held on March 6, 2001, all the sitting members of the Congress were returned, with the sole exception of Henry Asugar, who was elected to replace Nishima Yliezah, the sitting member of the Congress who died in office. There were more fresh faces in the 3rd "ConCon" Constitutional Convention, including 26-year old Esmond Moses from Pohnpei's District Three, and the first female delegate representing the at-large ConCon in Pohnpei, Beauleen Carl Worswick.

In a sign of the importance that FSM attaches to relations with Japan, President Leo A. Falcam undertook a three-day official visit in March 2001 to Japan. The president was invited to Japan by the Prime Minister of Japan, Yoshiro Mori. During the visit, Falcam discussed with Mori possibilities of increasing Japanese economic aid to Micronesia and of further strengthening bilateral political and cultural ties. The Japanese aid to Micronesia has increased in importance, especially since the aid from the United States is likely to freeze at the current level per year, hence, the Micronesian government must look at other sources in order to continue with the development of the country.

By December 2001, another round of compact negotiations between Micronesia and the United

States had taken place. In March 2002, a counter-proposal by the United States on the matter was discussed, however, the government of Micronesia said it was committed to its position and had deep reservations about provisions within the United States counter-proposal. In May of 2002, yet another round of negotiations ensued, this time ending with more promising results. Both sides stated they were closer to reaching a mutually acceptable agreement. In July 2002, renegotiations on the Compact of Free Association were ongoing and a new United States provision included restrictions on immigration from Micronesia to the United States.

A month later, discussions surrounding a trade agreement between Micronesia, the Marshall Islands and Palau reached an impasse. The regional trade body, Pacific Island Country Trade Agreement (PICTA), required that participating countries remove trade tarrifs when dealing with each other so that, over time, there would be no existing tax on good traded within participating countries. However, the terms of this agreement were in conflict with the terms of the compacts of these three countries and the United States.

According to the terms of the respective compacts, these countries cannot discriminate against the United States in trade relations yet the terms of PICTA would suggest preferential tax and tarrif conditions within PICTA participants, to the exclusion of the United States. As such, it was apparent that the United States had to be offered the same trade conditions as those offered to countries within PICTA, effectively removing all taxes and tarrifs from United States imports and thus, losing millions of dollars in tax revenue. Since many goods sold in these compact countries originate in the United States, some renegotiation on the trade issue within the context of the compact was needed. Micronesia has been given three years to work through this trade issue with the United States.

In November 2002, the government of FSM negotiated a new compact with the United States. As of the fall of 2003, however, the United States Congress was yet to approve the funding. The government of the FSM made arrangements to cover the interim period. Even after it gained congressional approval, it would have to be sent to United States President George Bush for his signature. Then, it would have to be approved by elected representatives at home. Finally, at the close of 2003, the compact, worth well over \$3 billion dollars was signed by President Bush. The new compact would last for 20 years.

Meanwhile on the domestic agenda, in congressional election held in March 2003, independents carried all 14 seats. In presidential elections election held in May 2003, Joseph J. Urusemal was elected president and Redley Killion was elected vice president, both from among the congressional body. A proposed constitutional amendment to establish popular elections for president and vice president failed.

In April 2004, the island of Yap was ravaged by by Typhoon Sudel. The vast majority of the island's infrastructure was either damaged or devastated. The degree of destruction led to a

declaration of a state of emergency.

In March 2007, parliamentary elections were convened for participation in the country's unicameral Congress. As before, independents carried all 14 seats.

May 2007 saw the election of a new president in the Federated States of Micronesia. The election, which ensued within Congress, was reported to have been difficult and entailed tense caucus discussions. In the end, Emanuel Mori, the former chairman of the Federated States of Micronesia Development Bank, was chosen to replace outgoing Joseph Urusemal.

Parliamentary elections in Micronesia were set for March, 2009. At stake in this vote were the seats in the unicameral Congress. Because Micronesia has no formally recognized political parties, all candidates to the legislature run as independents (also known as non-partisans). See "Government Structure" for results. The voting was monitored by a team of election observers from the Hawaii-based East-West Center, which said that it would prepare an assessment report that included analysis of the 2009 election results, as well as recommendations for the amelioration of the election process.

Voters in the Federated States Of Micronesia were scheduled to go to the polls on March 8, 2011 to vote in parliamentary elections in that country. At stake were seats in the 14-member unicameral Congress. Typically, members are elected by popular vote. Of the 14 members, four are elected from each of the four states to serve four-year terms; however, theremaining 10 members of Congress are elected from single-member districts delineated by population to serve two-year terms. In the last elections, all seats were won by independents.

A presidential election was to be held in May 2011 in the aftermath of the parliamentary elections of March 2011. In that election on May 11, 2011, Emanuel Mori was unopposed and thusly reelected to power in an internal vote in parliament. Alik L. Alik was elected as vice president. It should be noted that there was a proposed constitutional amendment to establish popular elections for president, which failed to be adopted.

Parliamentary elections were set to be held in Micronesia on March 5, 2013. At stake were the 14 seats in the unicameral congress where members are elected by popular vote. Four members are elected from each state to serve four-year terms; 10 members are elected from single-member districts delineated by population to serve two-year terms. Since there are no formal parties in Micronesia, all political candidates are non-partisan independents. At the time of writing, no election results were yet available.

Note: The next presidential contest was expected to be held in 2015.

-- January 2015

Written by Dr. Denise Youngblood Coleman, Editor in Chief, <u>www.countrywatch.com</u>; See Bibliography for sources; upplementary source: Pacific Islands Report.

Political Risk Index

Political Risk Index

The **Political Risk Index** is a proprietary index measuring the level of risk posed to governments, corporations, and investors, based on a myriad of political and economic factors. The <u>Political Risk</u> Index is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on varied criteria* including the following consideration: political stability, political representation, democratic accountability, freedom of expression, security and crime, risk of conflict, human development, jurisprudence and regulatory transparency, economic risk, foreign investment considerations, possibility of sovereign default, and corruption. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the highest political risk, while a score of 10 marks the lowest political risk. Stated differently, countries with the lowest scores pose the greatest political risk. A score of 0 marks the most dire level of political risk and an ultimate nadir, while a score of 10 marks the lowest possible level of political risk, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater risk.

Country	Assessment
Afghanistan	2
Albania	4

Algeria	6
Andorra	9
Angola	4
Antigua	8
Argentina	4
Armenia	4-5
Australia	9.5
Austria	9.5
Azerbaijan	4
Bahamas	8.5
Bahrain	6
Bangladesh	3.5
Barbados	8.5-9
Belarus	3
Belgium	9
Belize	8
Benin	5
Bhutan	5

5
4
7
7
7
6
4
4.5
3
4
5
9.5
6
3
4
9
7
8

China: Taiwan	8
Colombia	7
Comoros	5
Congo DRC	3
Congo RC	4
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4-4.5
Cyprus	5
Czech Republic	8
Denmark	9.5
Djibouti	4.5
Dominica	7
Dominican Republic	6
East Timor	5
Ecuador	6
Egypt	5

El Salvador	7
Equatorial Guinea	4
Eritrea	3
Estonia	8
Ethiopia	4
Fiji	5
Finland	9
Fr.YugoslavRep.Macedonia	5
France	9
Gabon	5
Gambia	4
Georgia	5
Germany	9.5
Ghana	6
Greece	4.5-5
Grenada	8
Guatemala	6
Guinea	3.5

Guinea-Bissau	3.5
Guyana	4.5
Haiti	3.5
Holy See (Vatican)	9
Honduras	4.5-5
Hungary	7
Iceland	8.5-9
India	7.5-8
Indonesia	6
Iran	3.5-4
Iraq	2.5-3
Ireland	8-8.5
Israel	8
Italy	7.5
Jamaica	6.5-7
Japan	9
Jordan	6.5
Kazakhstan	6

Kenya	5
Kiribati	7
Korea, North	1
Korea, South	8
Kosovo	4
Kuwait	7
Kyrgyzstan	4.5
Laos	4.5
Latvia	7
Lebanon	5.5
Lesotho	6
Liberia	3.5
Libya	2
Liechtenstein	9
Lithuania	7.5
Luxembourg	9
Madagascar	4
Malawi	4

Malaysia	8
Maldives	4.5
Mali	4
Malta	8
Marshall Islands	6
Mauritania	4.5-5
Mauritius	7
Mexico	6.5
Micronesia	7
Moldova	5
Monaco	9
Mongolia	5
Montenegro	6
Morocco	6.5
Mozambique	4.5-5
Namibia	6.5-7
Nauru	6
Nepal	4

Netherlands	9.5
New Zealand	9.5
Nicaragua	5
Niger	4
Nigeria	4.5
Norway	9.5
Oman	7
Pakistan	3.5
Palau	7
Panama	7.5
Papua New Guinea	5
Paraguay	6.5-7
Peru	7
Philippines	6
Poland	8
Portugal	7.5
Qatar	7.5
Romania	5.5

Russia	5.5
Rwanda	5
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	8
Samoa	7
San Marino	9
Sao Tome and Principe	5.5
Saudi Arabia	6
Senegal	6
Serbia	5
Seychelles	7
Sierra Leone	4.5
Singapore	9
Slovak Republic (Slovakia)	8
Slovenia	8
Solomon Islands	6
Somalia	2

South Africa	7
Spain	7.5
Sri Lanka	5
Sudan	3.5
Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5
Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6.5
Togo	4.5
Tonga	7
Trinidad and Tobago	8
Tunisia	6
Turkey	7
Turkmenistan	4.5

Tuvalu	7
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7
United Kingdom	9
United States	9.5
Uruguay	8
Uzbekistan	4
Vanuatu	7
Venezuela	4
Vietnam	5
Yemen	3
Zambia	4.5
Zimbabwe	3

*<u>Methodology</u>

The <u>Political Risk Index</u> is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

1. political stability (record of peaceful transitions of power, ability of government to stay in office and carry out policies as a result of productive executive-legislative relationship, perhaps with

popular support vis a vis risk of government collapse)

2. political representation (right of suffrage, free and fair elections, multi-party participation, and influence of foreign powers)

3. democratic accountability (record of respect for political rights, human rights, and civil liberties, backed by constitutional protections)

4. freedom of expression (media freedom and freedom of expression, right to dissent or express political opposition, backed by constitutional protections)

5. security and crime (the degree to which a country has security mechanisms that ensures safety of citizens and ensures law and order, without resorting to extra-judicial measures)

6. risk of conflict (the presence of conflict; record of coups or civil disturbances; threat of war; threats posed by internal or external tensions; threat or record of terrorism or insurgencies)

7. human development (quality of life; access to education; socio-economic conditions; systemic concern for the status of women and children)

8. jurisprudence and regulatory transparency (the impartiality of the legal system, the degree of transparency within the regulatory system of a country and the durability of that structure)

9. economic conditions (economic stability, investment climate, degree of nationalization of industries, property rights, labor force development)

10. corruption (the degree of corruption in a country and/or efforts by the government to address graft and other irregularities)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world.

North Korea, Afghanistan, Somalia, and Zimbabwe -- retain their low rankings.

Several Middle Eastern and North African countries, such as <u>Tunisia</u>, <u>Egypt</u>, <u>Libya</u>, <u>Syria</u>, <u>Iraq</u> and <u>Yemen</u> were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. The worst downgrades affected <u>Syria</u> where civil war is at play, along with the rampage of terror being carried out by Islamist

terrorists who have also seized control over part of Syrian territory. Iraq has been further downgraded due to the rampage of Islamist terrorists and their takeover of wide swaths of Iraqi territory. Libya has also been downgraded further due to its slippage into failed state status; at issue in Libya have been an ongoing power struggle between rival militias. Yemen continues to hold steady with a poor ranking due to continued unrest at the hands of Houthi rebels, secessinionists, al-Qaida in the Arabian Peninsula, and Islamic State. Its landscape has been further complicated by the fact that it is now the site of a proxy war between Iran and Saudi Arabia. Conversely, Tunisia and Egypt have seen slight upgrades as these countries stabilize.

In Africa, Zimbabwe continues to be one of the bleak spots of the world with the Mugabe regime effectively destroying the country's once vibrant economy, and miring Zimbabwe with an exceedingly high rate of inflation, debilitating unemployment, devolving public services, and critical food shortages; rampant crime and political oppression round out the landscape. Somalia also sports a poor ranking due to the continuing influence of the terror group, al-Shabab, which was not operating across the border in Kenya. On the upside, Nigeria, which was ineffectively dealing with the threat posed by the terror group, Boko Haram, was making some strides on the national security front with its new president at the helm. Mali was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. But the Central African Republic was downgraded due to the takeover of the government by Muslim Seleka rebels and a continued state of lawlessness in that country. South Sudan -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. Burkina Faso, Burundi and Guinea have been downgraded due to political unrest, with Guinea also having to deal with the burgeoning Ebola crisis.

In Europe, <u>Ukraine</u> was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. <u>Russia</u> was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. Strains on the infrastructure of southern and eastern European countries, such as <u>Serbia</u>, <u>Croatia</u>, and <u>Hungary</u>, due to an influx of refugees was expected to pose social and economic challenges, and slight downgrades were made accordingly. So too, a corruption crisis for the Romanian prime minister has affected the ranking of that country. Meanwhile, the rankings for <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u> were maintained due to debt woes and the concomitant effect on the euro zone. <u>Greece</u>, another euro zone nation, was earlier downgraded due to its sovereign debt crisis; however, no further downgrade was added since the country was able to successfully forge a bailout rescue deal with creditor institutions. Cyprus' exposure to Greek banks yielded a downgrade in its case.

In Asia, <u>Nepal</u> was downgraded in response to continuous political instability and a constitutional crisis that prevails well after landmark elections were held. Both <u>India</u> and China retain their rankings; <u>India</u> holds a slightly higher ranking than <u>China</u> due to its record of democratic

representation and accountability. Increasing violence and political instability in <u>Pakistan</u> resulted in a downgrade for this country's already low rating. Meanwhile, <u>Singapore</u> retained its strong rankings due to its continued effective stewardship of the economy and political stability.

In the Americas, ongoing political and economic woes, as well as crime and corruption have affected the rankings for Mexico, Guatemala, and Brazil. Argentina was downgraded due to its default on debt following the failure of talks with bond holders. Venezuela was downgraded due to its mix of market unfriendly policies and political oppression. For the moment, the <u>United States</u> maintains a strong ranking along with <u>Canada</u>, and most of the English-speaking countries of the Caribbean; however, a renewed debt ceiling crisis could cause the <u>United States</u> to be downgraded in a future edition. Finally, a small but significant upgrade was attributed to <u>Cuba</u> due to its recent pro-business reforms and its normalization of ties with the United States.

Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. www.countrywatch.com

Updated:

2015

Political Stability

Political Stability

The **Political Stability Index** is a proprietary index measuring a country's level of stability, standard of good governance, record of constitutional order, respect for human rights, and overall strength of democracy. The <u>Political Stability</u>Index is calculated using an established methodology* by CountryWatch's Editor-in-Chief and is based on a given country's record of peaceful transitions of power, ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse. Threats include coups, domestic violence and instability, terrorism, etc. This index measures the dynamic between the quality of a country's government and the threats that can compromise and undermine stability. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of political stability and an ultimate nadir, while a score of 10 marks the highest level of political stability possible, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries

contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater stability.

Country	Assessment
Afghanistan	2
Albania	4.5-5
Algeria	5
Andorra	9.5
Angola	4.5-5
Antigua	8.5-9
Argentina	7
Armenia	5.5
Australia	9.5
Austria	9.5
Azerbaijan	5
Bahamas	9
Bahrain	6
Bangladesh	4.5

	9
Belarus	4
Belgium	9
Belize	8
Benin	5
Bhutan	5
Bolivia	6
Bosnia-Herzegovina	5
Botswana	8.5
Brazil	7
Brunei	8
Bulgaria	7.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5-5
Cameroon	6
Canada	9.5

Cape Verde	6
Central African Republic	3
Chad	4.5
Chile	9
China	7
China: Hong Kong	8
China: Taiwan	8
Colombia	7.5
Comoros	5
Congo DRC	3
Congo RC	5
Costa Rica	9.5
Cote d'Ivoire	3.5
Croatia	7.5
Cuba	4.5
Cyprus	8
Czech Republic	8.5
Denmark	9.5

Djibouti	5
Dominica	8.5
Dominican Republic	7
East Timor	5
Ecuador	7
Egypt	4.5-5
El Salvador	7.5-8
Equatorial Guinea	4.5
Eritrea	4
Estonia	9
Ethiopia	4.5
Fiji	5
Finland	9
Fr.YugoslavRep.Macedonia	6.5
France	9
Gabon	5
Gambia	4.5
Georgia	5

Germany	9.5
Ghana	7
Greece	6
Grenada	8.5
Guatemala	7
Guinea	3.5-4
Guinea-Bissau	4
Guyana	6
Haiti	3.5-4
Holy See (Vatican)	9.5
Honduras	6
Hungary	7.5
Iceland	9
India	8
Indonesia	7
Iran	3.5
Iraq	2.5
Ireland	9.5

8
8.5-9
8
9
6
6
5
8
2
8.5
5.5
7
5
5
8.5
5.5
5
3.5-4

Libya	2
Liechtenstein	9
Lithuania	9
Luxembourg	9.5
Madagascar	4
Malawi	5
Malaysia	8
Maldives	4.5-5
Mali	4.5-5
Malta	9
Marshall Islands	8
Mauritania	6
Mauritius	8
Mexico	6.5-7
Micronesia	8
Moldova	5.5
Monaco	9.5
Mongolia	6.5-7

Montenegro	8
Morocco	7
Mozambique	5
Namibia	8.5
Nauru	8
Nepal	4.5
Netherlands	9.5
New Zealand	9.5
Nicaragua	6
Niger	4.5
Nigeria	4.5
Norway	9.5
Oman	7
Pakistan	3
Palau	8
Panama	8.5
Papua New Guinea	6
Paraguay	8

Peru	7.5
Philippines	6
Poland	9
Portugal	9
Qatar	7
Romania	7
Russia	6
Rwanda	5
Saint Kitts and Nevis	9
Saint Lucia	9
Saint Vincent and Grenadines	9
Samoa	8
San Marino	9.5
Sao Tome and Principe	7
Saudi Arabia	6
Senegal	7.5
Serbia	6.5
Seychelles	8

Sierra Leone	4.5
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	9
Solomon Islands	6.5-7
Somalia	2
South Africa	7.5
Spain	9
Sri Lanka	5
Sudan	3
Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5
Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6

Togo	5
Tonga	7
Trinidad and Tobago	8
Tunisia	5
Turkey	7.5
Turkmenistan	5
Tuvalu	8.5
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7
United Kingdom	9
United States	9
Uruguay	8.5
Uzbekistan	4
Vanuatu	8.5
Venezuela	4.5-5
Vietnam	4.5
Yemen	2.5

Zambia	5
Zimbabwe	3

*Methodology

The Political Stability Index is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

1. record of peaceful transitions of power (free and fair elections; adherence to political accords)

2. record of democratic representation, presence of instruments of democracy; systemic accountability

3. respect for human rights; respect for civil rights

4. strength of the system of jurisprudence, adherence to constitutional order, and good governance

5. ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse (i.e. government stability versus a country being deemed "ungovernable")

6. threat of coups, insurgencies, and insurrection

7. level of unchecked crime and corruption

8. risk of terrorism and other threats to national security

9. relationship with regional powers and international community; record of bilateral or multilateral cooperation

10. degree of economic strife (i.e. economic and financial challenges)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world. The usual suspects -- North Korea, <u>Afghanistan</u>, and <u>Somalia</u> -- retain their low rankings. The reclusive and ultra-dictatorial North

Korean regime, which has terrified the world with its nuclear threats, has exhibited internal instability. Of note was a cut-throat purge of hundreds of high ranking officials deemed to be a threat to Kim Jung-un. Despite their attempts to recover from years of lawlessness, war, and warlordism, both Afghanistan and Somalia continue to be beset by terrorism and turmoil. In Afghanistan, while international forces have seen success in the effort against the terror group, al-Qaida, the other Islamist extremist group, the Taliban, continues to carry out a vicious insurgency using terrorism. In Somalia, while the government attempts to do the nation's business, the terror group, al-Shabab continues to make its presence known not only in Somalia, but across the border into Kenya with devastating results/ Also in this category is Iraq, which continues to be rocked by horrific violence and terrorism at the hands of Islamic State, which has taken over wide swaths of Iraqi territory.

Syria, <u>Libya</u>, and <u>Yemen</u> have been added to this unfortunate echelon of the world's most politically unstable countries. <u>Syria</u> has been mired by the twin hazards of 1. a civil war as rebels oppose the Assad regime; and 2. the rampage of terror being carried out by Islamic State, which also seized control over vast portions of Syrian territory. Meanwhile, the post-Qaddhafi landscape of <u>Libya</u> has devolved into chaos as rival militias battle for control -- the elected government of the country notwithstanding. Rounding out this grim triad is <u>Yemen</u>, which was dealing with a Houthi rebellion, secesionists in the south, as well as the threat of terrorism from al-Qaida in the Arabian Peninsula as well as Islamic State, while also being the site of a proxy war between Shi'a <u>Iran</u> and Sunni <u>Saudi Arabia</u>.

Meanwhile, several Middle Eastern and North African countries, such as <u>Tunisia</u>, <u>Egypt</u>, and <u>Bahrain</u> were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. All three of these countries have stabilized in recent years and have been upgraded accordingly. In <u>Bahrain</u>, the landscape had calmed. In <u>Egypt</u>, the secular military-backed government has generated criticism for its crackdown on the Muslim Brotherhood; however, the country had ratified the presidency via democratic elections and were on track to hold parliamentary elections as the country moved along the path of democratization. Perhaps the most impressive story was coming out of <u>Tunisia</u> -- the country whose Jasmine Revolution sparked the entire Arab Spring -- and where after a few years of strife, a new progressive constitution was passed into law and a secular government had been elected to power. <u>Tunisia</u>, <u>Egypt</u>, and <u>Bahrain</u> have seen slight upgrades as these countries stabilize.

In Africa, the <u>Central African Republic</u> was downgraded the previous year due to the takeover of the government by Muslim Seleka rebels. Although the country has been trying to emerge from this crisis, the fact of the matter was that it was difficult to halt the precipitous decline into lawlessness in that country. <u>Zimbabwe</u> has maintained its consistently poor ranking due to the dictatorial regime of Mugabe, who continues to hold a tight grip on power, intimidates the opposition, squashes dissent, and oppresses the white farmer population of the country. Moving in

a slightly improved direction is Nigeria, which has sported abysmal ratings due to the government's fecklessness in dealing with the threat posed by the Islamist terror group, Boko Haram. Under its newly-elected government, there appears to be more of a concerted effort to make national security a priority action item. Mali was also slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Political instability has visited Burkina Faso and Burundi as the leaders of those countries attempted to side-step constitutional limits to hold onto power. In Burundi, an attempted coup ensued but quelled, and the president won a (questionable) new term in office; unrest has since punctuated the landscape. In Burkina Faso, the political climate has turned stormy as a result of a successful coup that ended the rule of the president, and then a putsch against the transitional government. These two African countries have been downgraded as a result.

It should be noted that the African country of South <u>Sudan</u> -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. <u>Guinea</u> has endured poor rankings throughout, but was slightly downgraded further over fears of social unrest and the Ebola heath crisis.

In Europe, <u>Ukraine</u> was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. <u>Russia</u> was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. <u>Serbia</u> and <u>Albania</u> were slightly downgraded due to eruptions of unrest, while <u>Romania</u> was slightly downgraded on the basis of corruption charges against the prime minister. <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u> were downgraded due to debt woes and the concomitant effect on the euro zone. <u>Greece</u>, another euro zone nation, was downgraded the previous year due to its sovereign debt crisis; however, the country successfully forged a rescue deal with international creditors and stayed within the Euro zone. Greek voters rewarded the hitherto unknown upstart party at the polls for these efforts. As a result, <u>Greece</u> was actually upgraded slightly as it proved to the world that it could endure the political and economic storms. Meanwhile, <u>Germany</u>, <u>France</u>, <u>Switzerland</u>, the <u>United Kingdom</u>, the <u>Netherlands</u>, and the Scandinavian countries continue to post impressive ranking consistent with these countries' strong records of democracy, freedom, and peaceful transfers of power.

In Asia, <u>Nepal</u> was downgraded in response to continuous political instability well after landmark elections that prevails today. <u>Cambodia</u> was very slighly downgraded due to post-election instability that has resulted in occasional flares of violence. Despite the "trifecta of tragedy" in <u>Japan</u> in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both <u>India</u> and China retain their rankings; <u>India</u> holds a slightly higher ranking than <u>China</u> due to its record of democratic representation and

accountability. Increasing violence and political instability in <u>Pakistan</u> resulted in a downgrade for this country's already low rating.

In the Americas, <u>Haiti</u> retained its downgraded status due to ongoing political and economic woes. <u>Mexico</u> was downgraded due to its alarming rate of crime. <u>Guatemala</u> was downgraded due to charges of corruption, the arrest of the president, and uncertainty over the outcome of elections. <u>Brazil</u> was downgraded due to the corruption charges erupting on the political landscape, the stalling of the economy, and the increasingly loud calls for the impeachment of President Rousseff. <u>Argentina</u> was downgraded due to its default on debt following the failure of talks with bond holders. <u>Venezuela</u> was downgraded due to the fact that the country's post-Chavez government is every bit as autocratic and nationalistic, but even more inclined to oppress its political opponents. <u>Colombia</u> was upgraded slightly due to efforts aimed at securing a peace deal with the FARC insurgents. A small but significant upgrade was attributed to <u>Cuba</u> due to its recent pro-business reforms and its normalization of ties with the Unitd States. Meanwhile, the <u>United States</u>, <u>Canada</u>, <u>Costa Rica</u>, <u>Panama</u>, and most of the English-speaking countries of the Caribbean retain their strong rankings due to their records of stability and peaceful transfers of power.

In the Pacific, <u>Fiji</u> was upgraded due to its return to constitutional order and democracy with the holding of the first elections in eight years.

In Oceania, <u>Maldives</u> has been slightly downgraded due to the government's continued and rather relentless persecution of the country's former pro-democracy leader - former President Nasheed.

Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. www.countrywatch.com

Updated:

2015

Freedom Rankings

Freedom Rankings

Freedom in the World

Editor's Note: This ranking by Freedom House quantifies political freedom and civil liberties into a single combined index on each sovereign country's level of freedom and liberty. The initials "PR" and "CL" stand for Political Rights and Civil Liberties, respectively. The number 1 represents the most free countries and the number 7 represents the least free. Several countries fall in the continuum in between. The freedom ratings reflect an overall judgment based on survey results.

Country	PR	CL	Freedom Status	Trend Arrow
Afghanistan	6 ?	6	Not Free	
Albania*	3	3	Partly Free	
Algeria	6	5	Not Free	
Andorra*	1	1	Free	
Angola	6	5	Not Free	
Antigua and Barbuda*	3 ?	2	Free	
Argentina*	2	2	Free	
Armenia	6	4	Partly Free	
Australia*	1	1	Free	
Austria*	1	1	Free	
Azerbaijan	6	5	Not Free	

Bahamas*	1	1	Free	
Bahrain	6 ?	5	Not Free?	
Bangladesh*	3?	4	Partly Free	
Barbados*	1	1	Free	
Belarus	7	6	Not Free	
Belgium*	1	1	Free	
Belize*	1	2	Free	
Benin*	2	2	Free	
Bhutan	4	5	Partly Free	
Bolivia*	3	3	Partly Free	
Bosnia-Herzegovina*	4	3	Partly Free	
Botswana*	3?	2	Free	
Brazil*	2	2	Free	
Brunei	6	5	Not Free	
Bulgaria*	2	2	Free	
Burkina Faso	5	3	Partly Free	
Burma	7	7	Not Free	
Burundi*	4	5	Partly Free	ſ

Cambodia	6	5	Not Free	\downarrow
Cameroon	6	6	Not Free	
Canada*	1	1	Free	
Cape Verde*	1	1	Free	
Central African Republic	5	5	Partly Free	
Chad	7	6	Not Free	
Chile*	1	1	Free	
China	7	6	Not Free	
Colombia*	3	4	Partly Free	
Comoros*	3	4	Partly Free	
Congo (Brazzaville)	6	5	Not Free	Ψ
Congo (Kinshasa)	6	6	Not Free	Ψ
Costa Rica*	1	1	Free	
Cote d'Ivoire	6	5	Not Free	
Croatia*	1 ?	2	Free	
Cuba	7	6	Not Free	
Cyprus*	1	1	Free	
Czech Republic*	1	1	Free	

Denmark*	1	1	Free	
Djibouti	5	5	Partly Free	
Dominica*	1	1	Free	
Dominican Republic*	2	2	Free	Ψ
East Timor*	3	4	Partly Free	
Ecuador*	3	3	Partly Free	
Egypt	6	5	Not Free	
El Salvador*	2	3	Free	
Equatorial Guinea	7	7	Not Free	
Eritrea	7	7 ?	Not Free	
Estonia*	1	1	Free	
Ethiopia	5	5	Partly Free	Ψ
Fiji	6	4	Partly Free	
Finland*	1	1	Free	
France*	1	1	Free	
Gabon	6	5 ?	Not Free?	
The Gambia	5	5 ?	Partly Free	
Georgia	4	4	Partly Free	

Germany*	1	1	Free	
Ghana*	1	2	Free	
Greece*	1	2	Free	
Grenada*	1	2	Free	
Guatemala*	4 ?	4	Partly Free	
Guinea	7	6 ?	Not Free	
Guinea-Bissau*	4	4	Partly Free	
Guyana*	2	3	Free	
Haiti*	4	5	Partly Free	
Honduras	4 ?	4 ?	Partly Free	
Hungary*	1	1	Free	
Iceland*	1	1	Free	
India*	2	3	Free	
Indonesia*	2	3	Free	
Iran	6	6	Not Free	ψ
Iraq	5 ?	6	Not Free	
Ireland*	1	1	Free	
Israel*	1	2	Free	

Italy*	1	2	Free	
Jamaica*	2	3	Free	
Japan*	1	2	Free	
Jordan	6 ?	5	Not Free?	
Kazakhstan	6	5	Not Free	ψ
Kenya	4	4 ?	Partly Free	
Kiribati*	1	1	Free	
Kosovo	5 ?	4 ?	Partly Free ?	
Kuwait	4	4	Partly Free	
Kyrgyzstan	6 ?	5 ?	Not Free?	
Laos	7	6	Not Free	
Latvia*	2	1	Free	
Lebanon	5	3 ?	Partly Free	
Lesotho*	3 ?	3	Partly Free ?	
Liberia*	3	4	Partly Free	
Libya	7	7	Not Free	
Liechtenstein*	1	1	Free	
Lithuania*	1	1	Free	

Luxembourg*	1	1	Free	
Macedonia*	3	3	Partly Free	↑
Madagascar	6 ?	4 ?	Partly Free	
Malawi*	3 ?	4	Partly Free	
Malaysia	4	4	Partly Free	
Maldives*	3 ?	4	Partly Free	
Mali*	2	3	Free	
Malta*	1	1	Free	ψ
Marshall Islands*	1	1	Free	
Mauritania	6	5	Not Free	
Mauritius*	1	2	Free	
Mexico*	2	3	Free	
Micronesia*	1	1	Free	
Moldova*	3 ?	4	Partly Free	
Monaco*	2	1	Free	
Mongolia*	2	2	Free	ſ
Montenegro*	3	2 ?	Free ?	
Morocco	5	4	Partly Free	ψ

Mozambique	4 ?	3	Partly Free	
Namibia*	2	2	Free	
Nauru*	1	1	Free	
Nepal	4	4	Partly Free	
Netherlands*	1	1	Free	
New Zealand*	1	1	Free	
Nicaragua*	4	4 ?	Partly Free	
Niger	5 ?	4	Partly Free	
Nigeria	5	4	Partly Free	ψ
North Korea	7	7	Not Free	ψ
Norway*	1	1	Free	
Oman	6	5	Not Free	
Pakistan	4	5	Partly Free	
Palau*	1	1	Free	
Panama*	1	2	Free	
Papua New Guinea*	4	3	Partly Free	
Paraguay*	3	3	Partly Free	
Peru*	2	3	Free	

Philippines	4	3	Partly Free	Ψ
Poland*	1	1	Free	
Portugal*	1	1	Free	
Qatar	6	5	Not Free	
Romania*	2	2	Free	
Russia	6	5	Not Free	ψ
Rwanda	6	5	Not Free	
Saint Kitts and Nevis*	1	1	Free	
Saint Lucia*	1	1	Free	
Saint Vincent and Grenadines*	2	1	Free	
Samoa*	2	2	Free	
San Marino*	1	1	Free	
Sao Tome and Principe*	2	2	Free	
Saudi Arabia	7	6	Not Free	
Senegal*	3	3	Partly Free	
Serbia*	2 ?	2	Free	
Seychelles*	3	3	Partly Free	
Sierra Leone*	3	3	Partly Free	

Singapore	5	4	Partly Free	
Slovakia*	1	1	Free	₩
Slovenia*	1	1	Free	
Solomon Islands	4	3	Partly Free	
Somalia	7	7	Not Free	
South Africa*	2	2	Free	
South Korea*	1	2	Free	
Spain*	1	1	Free	
Sri Lanka*	4	4	Partly Free	
Sudan	7	7	Not Free	
Suriname*	2	2	Free	
Swaziland	7	5	Not Free	
Sweden*	1	1	Free	
Switzerland*	1	1	Free	\Downarrow
Syria	7	6	Not Free	
Taiwan*	1 ?	2 ?	Free	
Tajikistan	6	5	Not Free	
Tanzania	4	3	Partly Free	

Thailand	5	4	Partly Free	
Togo	5	4 ?	Partly Free	
Tonga	5	3	Partly Free	
Trinidad and Tobago*	2	2	Free	
Tunisia	7	5	Not Free	
Turkey*	3	3	Partly Free	Ψ
Turkmenistan	7	7	Not Free	
Tuvalu*	1	1	Free	
Uganda	5	4	Partly Free	
Ukraine*	3	2	Free	
United Arab Emirates	6	5	Not Free	
United Kingdom*	1	1	Free	
United States*	1	1	Free	
Uruguay*	1	1	Free	
Uzbekistan	7	7	Not Free	
Vanuatu*	2	2	Free	
Venezuela	5 ?	4	Partly Free	
Vietnam	7	5	Not Free	Ψ

Yemen	6 ?	5	Not Free ?	
Zambia*	3	4 ?	Partly Free	
Zimbabwe	6 ?	6	Not Free	

Methodology:

PR and CL stand for political rights and civil liberties, respectively; 1 represents the most free and 7 the least free rating. The ratings reflect an overall judgment based on survey results.

? ? up or down indicates a change in political rights, civil liberties, or status since the last survey. $\uparrow \quad \Downarrow$ up or down indicates a trend of positive or negative changes that took place but that were not sufficient to result in a change in political rights or civil liberties ratings of 1-7.

* indicates a country's status as an electoral democracy.

Source:

This data is derived from the latest edition of Freedom House's Freedom in the World 2010 edition.

Available at URL: http://www.freedomhouse.org

Updated:

Reviewed in 2015

Human Rights

Overview of Human Rights in Micronesia

The Federated States of Micronesia (FSM) is a constitutional republic. The government works to respect the civil and human rights of its citizens. When individual instances of abuse are reported, the law provides effective means of addressing them. In recent years, only judicial delays,

incidences of domestic violence, child neglect, and allegations of governmental corruption were reported. Generally, this country has one of the most positive human rights records internationally.

Human Development Index (HDI) Rank:

Not Ranked

Human Poverty Index Rank:

Not Ranked

Gini Index:

N/A

Life Expectancy at Birth (years):

70.65 years

Unemployment Rate:

22%

Population living on \$1 a day (%):

N/A

Population living on \$2 a day (%):

N/A

Population living beneath the Poverty Line (%):

26.7%

Internally Displaced People:

N/A

Total Crime Rate (%):

N/A

Health Expenditure (% of GDP):

Public: N/A

% of GDP Spent on Education:

N/A

Human Rights Conventions Party to:

• International Convention on the Prevention and Punishment and Punishment of the Crime of Genocide

- Convention on the Elimination of All Forms of Discrimination against Women
- Conventions on the Rights of the Child

*Human Development Index (HDI) is a composite index that measures the level of well-being in 177 nations in the world. It uses factors such as poverty, literacy, life-expectancy, education, gross domestic product, and purchasing power parity to assess the average achievements in each nation. It has been used in the United Nation's Human Development Report since 1993.

*Human Poverty Index Ranking is based on certain indicators used to calculate the Human Poverty Index. Probability at birth of not surviving to age 40, adult literacy rate, population without sustainable access to an improved water source, and population below income poverty line are the indicators assessed in this measure.

*The Gini Index measures inequality based on the distribution of family income or consumption. A value of 0 represents perfect equality (income being distributed equally), and a value of 100 perfect inequality (income all going to one individual).

*The calculation of the total crime rate is the % of the total population which has been effected by property crime, robbery, sexual assault, assault, or bribery (corruption) related occurrences.

Government Functions

Background

At the national level, the constitution of The Federated States of Micronesia (FSM) provides for three separate branches of government: legislative, executive and judicial. The constitution went into effect in 1979.

Legislative Authority

The constitution provides for a unicameral legislature called the Congress of the FSM. The Congress is composed aunicameral Congress (14 seats; four - one elected from each state to serve four-year terms and 10 - elected from single-member districts delineated by population to serve two-year terms; members elected by popular vote).

Executive Authority

At the executive level, two of the at-large senators are elected president and vice president by the Congress, and serve four-year terms. The congressional seats vacated by the senators who assume executive leadership are then filled by special elections. The cabinet is chosen by the president.

Judiciary

The judiciary is headed by the FSM Supreme Court, comprised of three justices, and is partitioned into trial and appellate divisions. The president nominates justices for lifetime appointments, with the advice and confirmation of the Congress.

Administration

The four state governments, under their own constitutions, are structurally similar and have considerable power. Each state government has its own executive, legislature and court systems. Governors and legislators are popularly elected.

Tradition and Democracy

Traditional rights, however, are also constitutionally set forth, and traditional leaders hold considerable sway over local governmental activity. At the municipal level, there are elected magistrates and councils, as well as traditional village government.

Government Structure

Names:

conventional long form: Federated States of Micronesia conventional short form: none local long form: Federated States of Micronesia local short form: none former: Trust Territory of the Pacific Islands, Ponape, Truk, and Yap Districts abbreviation: FSM note: the term "Micronesia" is often used to refer to the Federated States of Micronesia

Type:

Constitutional government in free association with the United States

Note:

The constitutional government in free association with the United States; the Compact of Free Association entered into force November 3, 1986 and the Amended Compact entered into force May 2004

Executive Branches:

<u>Head of State and Head of Government</u> President Emanuel Mori (since May 2007; re-elected in 2011); Vice President Alik L. Alik (since May 2007; re-elected in 2011)

<u>Note</u>

The president and vice president are elected by Congress from among the four senators at large for a four-year term (eligible for a second term)

2011 Elections:

A presidential election was to be held in May 2011 in the aftermath of the parliamentary elections of March 2011. In that election on May 11, 2011, Emanuel Mori was unopposed and thusly reelected to power in an internal vote in parliament. Alik L. Alik was elected as vice president. It should be noted that there was a proposed constitutional amendment to establish popular elections for president, which failed to be adopted.

Note:

The next presidential contest was expected to be held in 2015.

Cabinet:

Cabinet includes the vice president and the heads of the 8 executive departments. The cabinet is chosen by the president.

Legislative Branch:

Unicameral Congress:

14 seats; members elected by popular vote; four - one elected from each state to serve four-year terms; and 10 - elected from single-member districts delineated by population to serve two-year terms

2011 Elections:

Voters in the Federated States Of Micronesia were scheduled to go to the polls on March 8, 2011 to vote in parliamentary elections in that country. At stake were seats in the 14-member unicameral Congress. Typically, members are elected by popular vote. Of the 14 members, four are elected from each of the four states to serve four-year terms; however, the remaining 10 members of Congress are elected from single-member districts delineated by population to serve two-year terms. In the last elections, all seats were won by independents.

2013 Elections:

Parliamentary elections were set to be held in Micronesia on March 5, 2013. At stake were the 14 seats in the unicameral congress where members are elected by popular vote. Four members are elected from each state to serve four-year terms; 10 members are elected from single-member districts delineated by population to serve two-year terms. Since there are no formal parties in Micronesia, all political candidates are non-partisan independents.

Judicial Branch: Supreme Court, partitioned into trial and appellate divisions

Constitution: Adopted May 10, 1979

Legal System:

Based on adapted Trust Territory laws, acts of the legislature, municipal, common, as well as traditional and customary laws

Administrative Divisions: Four states: Kosrae, Pohnpei, Chuuk, Yap

Political Parties and Leaders: No formal parties, all political candidates are non-partisan independents

Suffrage: 18 years of age; universal

Principal Government Officials

Cabinet and Leadership

Head of State and Head of Government

President Emanuel Mori (since May 2007; re-elected in 2011); Vice President Alik L. Alik (since May 2007; re-elected in 2011)

<u>Note</u>

The president and vice president are elected by Congress from among the four senators at large for a four-year term (eligible for a second term)

2011 Elections:

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Note:

The next parliamentary elections were held in 2013, as discussed below. The next presidential contest was expected to be held in 2015.

Cabinet:

Cabinet includes the vice president and the heads of the 8 executive departments. The cabinet is chosen by the president. See below for listing.

Unicameral Congress:

14 seats; members elected by popular vote; four - one elected from each state to serve four-year terms; and 10 - elected from single-member districts delineated by population to serve two-year terms

2013 Elections:

Parliamentary elections were set to be held in Micronesia on March 5, 2013. At stake were the 14 seats in the unicameral congress where members are elected by popular vote. Four members are elected from each state to serve four-year terms; 10 members are elected from single-member districts delineated by population to serve two-year terms. Since there are no formal parties in Micronesia, all political candidates are non-partisan independents.

Cabinet --Pres. Emanuel "Manny" MORI Vice Pres. Alik L. ALIK Sec. of Education Casiano D. SHONIBER Sec. of Finance & Admin. Finley S. PERMAN Sec. of Foreign Affairs Lorin S. ROBERT Sec. of Health & Social Affairs Vita Akapito SKILLING, Dr. Sec. of Justice Maketo ROBERT Sec. of Resource & Development Marion HENRY Sec. of Transportation, Communication, & Infrastructure Francis ITIMAI Speaker of the Congress Isaac V. FIGIR Ambassador to the US Asterio R. TAKESY Permanent Representative to the UN, New York Jane J. CHIGIYAL

-- as of 2015

Leader Biography

Leader Biography

President of Micronesia

This biography is provided by the Government of Micronesia: --

Emanuel (Manny) Mori is the seventh President of the Federated States of Micronesia. He was selected by 15th FSM Congress and sworn into office on May 11 2007.

President Mori has a collage of financial management experiences in the private sector and brings a realistic, no-nonsense approach to his services as an elected public official. He is regarded highly amongst his colleagues for his candid and often tenacious approach to fiscal discipline.

President Mori was born December 25 1948, on Fefan island, in Chuuk State. He graduated from the Xavier High School in Chuuk and earned a Bachelor of Arts degree in Business Management from the University of Guam.

After two years with the Chuuk State Government, President Mori was hired as the comptroller of the new FSM Development Bank. In 1984, within three years of joining the bank, Mori was promoted President and Chief Executive Officer of the FSMDB. In 1997, after six years with the FSMBD, Mori moved to the Bank of the Federated States to take over the post of Executive Vice President of the Bank. He maintained his position as the Executive Vice of the FSM Bank until his election to the Congress of the FSM.

President Mori entered the political arena in 1999 when he was elected as Chuuk State's at-large or four-year representative to the 11th FSM Congress where he held dual Vice Chairmanship on the committee of Judiciary and Governmental Operations (J&GO) and the committee on Health Education and Social Affairs (HESA).

In 2001, during the organization of the 12th FSM Congress, President Mori took over Chairmanship of the committee on Ways and Means whilst retaining his membership on the committees served during the previous Congress.

In 2003, President Mori went on a hiatus from politics and accepted the position of General Manager and Chief Executive Officer for the ailing Chuuk Public Utilities Corporation. Under his management, the Corporation undertook and successfully executed measures of progressive reform which include the restoration of 24-hour power services to Weno, the capital island of Chuuk State.

The following year, President Mori re-entered the political arena as his home state's four year or at-large representative to the 13th FSM Congress. In that Congress he served as Vice Chairman of the Committee on External Affairs with membership on the other committees.

During the reorganization of the 14th FSM Congress in 2005, President Mori became the Chairman of the Committee on Resources and Development with membership on the other committees.

In his varied career over the years, President Mori had remained a strong supporter of community affairs. He was a member of the Saipan Chamber of Commerce and Chuuk Atawe Club. He held memberships on the Board of Directors for the Bank of FSM, the FSM Development Bank and the Pacific Island Development Bank.

President Mori also served on the Planning Council for the College of Micronesia-FSM and a member of the taskforce for the FSM National Government Restructuring.

In the 2007 National Election, President Mori was reelected as the State of Chuuk's four year representative to the 15th FSM Congress. On May 11 2007, during the Opening Session of the 15th FSM Congress, Mori was sworn in as the Seventh President of the FSM.

President Mori is a widower and has four grown daughters from his late wife Elina Ekiek.

Source: Government of Micronesia; available at URL: <u>http://www.fsmpio.fm/</u>

Foreign Relations

Micronesia Review 2016

General Relations

The government of the Federated States of Micronesia (FSM) conducts its own foreign relations. Since independence, the FSM has established diplomatic relations with a number of nations, including most of its Pacific neighbors. Regional cooperation through various multilateral organizations is a key element in its foreign policy. The FSM became a member of the United Nations in 1991.

Bilateral Relations

The governments of the FSM and the United States (U.S.) signed the final version of the Compact of Free Association on Oct. 1, 1982. On Nov. 3, 1986 the compact went into effect and the FSM became a sovereign nation in free association with the United States.

Under the compact, the United States has full authority and responsibility for the defense and security of the FSM. This security relationship can be changed or terminated by mutual agreement. The compact provides U.S. grant funds and federal program assistance to the FSM. The basic relationship of free association continues indefinitely, but certain economic and defense provisions of the compact expire in 2001.

A renegotiation process started in 1999 and continued through 2002. At the negotiating meetings, the U.S. presented its proposals that called for a cut in the U.S. annual aid to the FSM by almost 12 percent to \$74 million and also focused on greater transparency about the use of the U.S. grants. It was eventually signed in late 2002.

A new compact was signed into law in 2003; it will last 20 years and offers over three billion dollars in grants from the U.S. to FSM and the Marshall Islands.

The United States is the principal source of operating expenses for the FSM government and other assistance to the country. Besides the United States, principal foreign aid donors to the FSM are Japan, China, Australia and the Philippines.

Regional Trade Relations

In 2002, discussions surrounding a trade agreement between Micronesia, the Marshall Islands and Palau reached an impasse. The regional trade body, Pacific Island Country Trade Agreement (PICTA) requires that participating countries remove trade tarrifs when dealing with each other so

that over time, there would be no existing tax on good traded within participating countries. However, the terms of this agreement are in conflict with the terms of the compacts of these three countries and the U.S.

According to the terms of the respective compacts, these countries cannot discriminate against the U.S. in trade relations, yet the terms of PICTA would suggest preferential tax and tarrif conditions within PICTA participants, to the exclusion of the U.S. Micronesia was given three years to work through this trade issue with the U.S.

Other Significant Relations

Unlike some neighboring Pacific island states that have diplomatically recognized Taiwan, the government of the FSM supports the "one China" policy favored by the mainland Chinese government in Beijing.

Written by Dr. Denise Youngblood Coleman, Editor in Chief, <u>www.countrywatch.com</u>; see Bibliography for list research sources.

National Security

External Threats

No nation poses an immediate threat to the national security of the Federated States of Micronesia (FSM). The United Statesassumes responsibility for the FSM's defense.

Crime

The United States (U.S.) Department of State reports that the Federated States of Micronesiahas a moderate crime rate.

Insurgencies

There are no insurgent movements operating inside or outside of the Federated States of

Micronesiathat directly threaten its government or general population.

Terrorism

There is no specific threat of terrorism against Federated States of Micronesia, nor has it been a traditional target of terrorist violence. There are currently approximately 1000 Micronesian men and women serving in the U.S.military forces. Some of them are stationed in Iraqaiding in the war against terrorism. The FSM is party to five of the twelve international conventions and protocols pertaining to terrorism.

Defense Forces

Military Data

Military Branches:

No regular defense forces

Note: Although Micronesia is a fully sovereign state, it is still dependent on the United States for its defense

Micronesia

Chapter 3 Economic Overview

Economic Overview

Overview

Located in the western Pacific, Micronesia consists of some 600 islands grouped into four states. The country's primary economic activity is subsistence farming and fishing, as the country possesses few mineral deposits worth exploiting. Tourism is a potential sector for growth, but Micronesia's remote location and lack of adequate facilities have constrained development. Like many island countries, geographic isolation and undeveloped infrastructure present major barriers to Micronesia's economic growth. Micronesia has been heavily dependent on external grants since gaining independence in 1986. The most important source of aid has been U.S. financing provided under the Compact of Free Association to help foster sustainable economic development. However, the Micronesian government has relied on these grants primarily to sustain a large public sector, which accounts for 40 percent of GDP and dominates the economy. A renewed Compact (Compact II) that took effect in 2004 will steadily lower direct budget support through 2023, with some of the money diverted into a Trust Fund intended to provide a financial resource for Micronesia when the compact expires.

In recent years, Micronesia's economic performance has been weak due to problems with disbursing grants under the Compact agreement with the U.S. as well as to a difficult business environment. As a result, the economy contracted for six years in a row (2004-2009), one of the worst outturns among the Pacific nations. In 2010, the economy grew, mainly driven by continuing expansion in construction activities, the fishery sector and public administration. Private sector employment jumped, driven mainly by construction projects financed by foreign grants or public funds. The economy remains dependent on the large public sector, with businesses relying on infrastructure projects and government services. Growth was slow in 2011 and even slower in 2012 due to the winding down of major public works projects. Growth was expected to decelerate further in 2013 with the completion of more projects.

Meanwhile, inflation in Micronesia eased to an estimated 3.5 percent in 2012 but was projected to pick back up in 2013. The dependence of the economy on public spending reflects the need to promote private investment to mitigate the effects of declining grants from the United States and maintain GDP growth. In September 2012, the Micronesia government approved a budget of \$US40.5 million for fiscal year 2013, which started on Oct. 1, 2012, down from about \$47 million in fiscal year 2012.

As expected, the real GDP growth was subdued in fiscal year 2012, as rapid growth in the fishery

sector was mainly offset by contraction in the construction and wholesale and retail sectors. As of October 2013, the short- to medium-term outlook remained bleak as the private sector remained weak and U.S. grants declined. The fishery sector was expected to continue to grow, but recent rapid growth was unlikely to be sustained as concerns for depleting fish stocks persisted. The construction sector has ceased to be a source of growth as U.S.-funded airport improvement projects came to an end and other donor-funded planned infrastructure projects were delayed.

Economic growth in Micronesia was expected to remain sluggish at 0.5 percent ended Sept. 30, 2014. A lack of major public infrastructure projects, and weak private investment and business activity dimmed prospects for stronger growth in the near term, according to the Asian Development Bank.

In March 2015, Typhoon Maysak destroyed an estimated 90 percent of Micronesia's food crops and hundreds of homes in the state of Chuuk and on outlying islands in the state of Yap. Then in May 2015, Typhoon Noul struck the main islands of Yap, and Typhoon Dolphin caused severe flooding and damage in the states of Pohnpei and Kosrae. Lost agricultural output and construction delays affecting infrastructure projects were expected to be offset by renewed reconstruction in the second half of the 2015 fiscal year.

Meanwhile, the value of Micronesia's imports from the US between October 2014 and July 2015 increased by 6.7 percent over the same period a year earlier, according to the Asian Development Bank. Although the value of food imports was 6.3 percent lower, the value of other imports—mostly machinery and transport equipment—surged by 22.3 percent.

Due to the series of typhoons, Micronesia was projected to see no GDP growth in FY 2015. However, the economic outlook for FY2016 was looking brighter, as recovery in agriculture and the scaling up of infrastructure projects were projected to support higher growth.

Economic Performance

Economic growth has been weak in recent years, reflecting sharp reductions in Compact-related capital spending, higher oil prices, and the closure of two textile mills following the expiration of textile quotas in early 2005. And more recently, the economy was affected by the global economic crisis. As a result, as mentioned above, real GDP contracted for six years in a row from 2004 to 2009. It grew slightly in 2010.

According to CountryWatch estimated calculations for 2014:

Real GDP growth rate was: 1.4 percent The fiscal deficit/surplus as percent of GDP (%) was: -0.7 percent Inflation was measured at: 7.2 percent

Updated in 2015

*Please note that the figures in our Economic Performance section are estimates or forecasts based on IMF-based data that are formulated using CountryWatch models of analysis.

Supplementary Sources: International Monetary Fund, Asian Development Bank and Pacific News Service

Nominal GDP and Components

Nominal GDP and Components					
	2011	2012	2013	2014	2015
Nominal GDP (LCU billions)	0.3103	0.3262	0.3162	0.3066	0.3070
Nominal GDP Growth Rate (%)	5.498	5.116	-3.0400	-3.0400	-1.8431
Consumption (LCU billions)	0.1303	0.1370	0.1328	0.1288	0.1243
Government Expenditure (LCU billions)	0.0403	0.0424	0.0411	0.0399	0.0385
Gross Capital Formation (LCU billions)	0.1334	0.1402	0.1360	0.1319	0.1320
Exports of Goods & Services (LCU billions)	0.0931	0.0978	0.0949	0.0920	0.0914
Imports of Goods & Services (LCU billions)	0.0807	0.0848	0.0822	0.0797	0.0792

Population and GDP Per Capita

Population and GDP Per Capita											
	2011	2012	2013	2014	2015						
Population, total (million)	0.1040	0.1040	0.1040	0.1040	0.1030						
Population growth (%)	0.9709	0.0000	0.0000	0.0000	-0.9615						
Nominal GDP per Capita (LCU 1000s)	2,983.53	3,136.16	3,040.82	2,948.38	2,980.58						

Real GDP and Inflation

Real GDP and Inflation					
	2011	2012	2013	2014	2015
Real Gross Domestic Product (LCU billions 2005 base)	0.2484	0.2476	0.2390	0.2330	0.2333
Real GDP Growth Rate (%)	2.054	-0.3034	-3.4607	-2.5080	0.1201
GDP Deflator (2005=100.0)	124.935	131.726	132.300	131.578	131.578
Inflation, GDP Deflator (%)	3.375	5.436	0.4358	-0.5457	0.0000

Government Spending and Taxation

Government Spending and Taxation							
	2011	2012	2013	2014	2015		
Government Fiscal Budget (billions)	0.2030	0.2130	0.1870	0.1850	0.1870		
Fiscal Budget Growth Rate (percentage)	2.010	4.926	-12.2066	-1.0695	1.081		
National Tax Rate Net of Transfers (%)	64.779	65.918	61.977	70.769	63.844		
Government Revenues Net of Transfers (LCU billions)	0.2010	0.2150	0.1960	0.2170	0.1960		
Government Surplus(-) Deficit(+) (LCU billions)	-0.0020	0.0020	0.0090	0.0320	0.0090		
Government Surplus(+) Deficit(-) (%GDP)	-0.6446	0.6132	2.846	10.436	2.932		

Money Supply, Interest Rates and Unemployment

Money Supply, Interest Rates and Unemployment						
	2011	2012	2013	2014	2015	
Money and Quasi-Money (M2) (LCU billions)	0.1184	0.1348	0.1458	0.1944	0.1946	
Money Supply Growth Rate (%)	3.946	13.874	8.136	33.347	0.1201	
Lending Interest Rate (%)	14.350	14.320	14.825	15.833	13.870	
Unemployment Rate (%)	16.086	17.230	17.170	17.081	15.591	

Foreign Trade and the Exchange Rate

Foreign Trade and the Exchange Rate							
	2011	2012	2013	2014	2015		
Official Exchange Rate (LCU/\$US)	1.004	1.000	1.004	0.9956	1.000		
Trade Balance NIPA (\$US billions)	0.0124	0.0130	0.0126	0.0123	0.0122		
Trade Balance % of GDP	4.000	4.000	4.000	4.000	3.969		
Total Foreign Exchange Reserves (\$US billions)	0.0751	0.0768	0.0843	0.1141	0.0705		

Data in US Dollars

Data in US Dollars					
	2011	2012	2013	2014	2015
Nominal GDP (\$US billions)	0.3090	0.3260	0.3150	0.3080	0.3070
Exports (\$US billions)	0.0927	0.0978	0.0945	0.0924	0.0914
Imports (\$US billions)	0.0803	0.0848	0.0819	0.0801	0.0792

Energy Consumption and Production Standard Units

Energy Consumption and Production Standard Units								
	2011	2012	2013	2014	2015			
Petroleum Consumption (TBPD)	0.7602	0.7796	0.7848	0.7882	0.8145			
Petroleum Production (TBPD)	0.0000	0.0000	0.0000	0.0000	0.0000			
Petroleum Net Exports (TBPD)	-0.7602	-0.7796	-0.7848	-0.7882	-0.8145			
Natural Gas Consumption (bcf)	0.0000	0.0000	0.0000	0.0000	0.0000			
Natural Gas Production (bcf)	0.0000	0.0000	0.0000	0.0000	0.0000			
Natural Gas Net Exports (bcf)	0.0000	0.0000	0.0000	0.0000	0.0000			
Coal Consumption (1000s st)	0.0000	0.0000	0.0000	0.0000	0.0000			
Coal Production (1000s st)	0.0000	0.0000	0.0000	0.0000	0.0000			
Coal Net Exports (1000s st)	0.0000	0.0000	0.0000	0.0000	0.0000			
Nuclear Production (bil kwh)	0.0000	0.0000	0.0000	0.0000	0.0000			
Hydroelectric Production (bil kwh)	0.0000	0.0000	0.0000	0.0000	0.0000			
Renewables Production (bil kwh)	0.0000	0.0000	0.0000	0.0000	0.0000			

Energy Consumption and Production QUADS

Energy Consumption and Production QUADS							
	2011	2012	2013	2014	2015		
Petroleum Consumption (Quads)	0.0016	0.0017	0.0017	0.0017	0.0017		
Petroleum Production (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Petroleum Net Exports (Quads)	-0.0016	-0.0017	-0.0017	-0.0017	-0.0017		
Natural Gas Consumption (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Natural Gas Production (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Natural Gas Net Exports (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Coal Consumption (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Coal Production (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Coal Net Exports (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Nuclear Production (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Hydroelectric Production (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		
Renewables Production (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000		

World Energy Price Summary

World Energy Price Summary					
	2011	2012	2013	2014	2015
Petroleum-WTI (\$/bbl)	95.054	94.159	97.943	93.112	48.709
Natural Gas-Henry Hub (\$/mmbtu)	3.999	2.752	3.729	4.369	2.614
Coal Thermal-Australian (\$/mt)	121.448	96.364	84.562	70.130	57.511

CO2 Emissions

CO2 Emissions					
	2011	2012	2013	2014	2015
Petroleum Based (mm mt C)	0.0363	0.0372	0.0374	0.0376	0.0389
Natural Gas Based (mm mt C)	0.0000	0.0000	0.0000	0.0000	0.0000
Coal Based (mm mt C)	0.0000	0.0000	0.0000	0.0000	0.0000
Total CO2 Emissions (mm mt C)	0.0363	0.0372	0.0374	0.0376	0.0389

Agriculture Consumption and Production

Agriculture Consumption and Production								
	2011	2012	2013	2014	2015			
Corn Total Consumption (1000 metric tons)	0.0720	0.0800	0.0900	0.0800	0.0773			
Corn Production (1000 metric tons)	0.0719	0.0798	0.0896	0.0812	0.0757			
Corn Net Exports (1000 metric tons)	-0.0001	-0.0002	-0.0004	0.0012	-0.001			
Soybeans Total Consumption (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000			
Soybeans Production (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000			
Soybeans Net Exports (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000			
Rice Total Consumption (1000 metric tons)	0.1954	0.3089	0.2342	0.1700	0.160			
Rice Production (1000 metric tons)	0.1601	0.1600	0.1649	0.1699	0.1648			
Rice Net Exports (1000 metric tons)	-0.0353	-0.1489	-0.0693	-0.0001	0.0047			
Coffee Total Consumption (metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000			

	2011	2012	2013	2014	2015
Coffee Production (metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Coffee Net Exports (metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Cocoa Beans Total Consumption (metric tons)	29.000	29.000	30.000	30.341	30.193
Cocoa Beans Production (metric tons)	29.322	30.102	31.826	31.646	32.064
Cocoa Beans Net Exports (metric tons)	0.3220	1.102	1.826	1.305	1.871
Wheat Total Consumption (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Wheat Production (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Wheat Net Exports (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000

World Agriculture Pricing Summary

World Agriculture Pricing Summary									
	2011	2012	2013	2014	2015				
Corn Pricing Summary (\$/metric ton)	291.684	298.417	259.389	192.881	169.750				
Soybeans Pricing Summary (\$/metric ton)	540.667	591.417	538.417	491.771	390.417				
Rice Pricing Summary (\$/metric ton)	458.558	525.071	473.989	425.148	386.033				
Coffee Pricing Summary (\$/kilogram)	5.976	4.111	3.076	4.424	3.526				
Cocoa Beans Pricing Summary (\$/kilogram)	2.980	2.392	2.439	3.062	3.135				
Wheat Pricing Summary (\$/metric ton)	316.264	313.242	312.248	284.895	203.177				

Metals Consumption and Production

Metals Consumption and Pro	oduction				
	2011	2012	2013	2014	2015
Copper Consumption (1000 mt)	0.0012	0.0012	0.0012	0.0012	0.0012
Copper Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Copper Net Exports (1000 mt)	-0.0012	-0.0012	-0.0012	-0.0012	-0.0012
Zinc Consumption (1000 mt)	0.0134	0.0134	0.0134	0.0134	0.0134
Zinc Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Zinc Exports (1000 mt)	-0.0134	-0.0134	-0.0134	-0.0134	-0.0134
Lead Consumption (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Lead Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Lead Exports (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Tin Consumption (1000 mt)	0.0160	0.0160	0.0160	0.0160	0.0160
Tin Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Tin Exports (1000 mt)	-0.0160	-0.0160	-0.0160	-0.0160	-0.0160
Nickel Consumption (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Nickel Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000

	2011	2012	2013	2014	2015
Nickel Exports (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Gold Consumption (kg)	0.0000	0.0000	0.0000	0.0000	0.0000
Gold Production (kg)	0.0000	0.0000	0.0000	0.0000	0.0000
Gold Exports (kg)	0.0000	0.0000	0.0000	0.0000	0.0000
Silver Consumption (mt)	1.000	3.000	1.000	1.667	1.667
Silver Production (mt)	0.0267	0.0280	0.0285	0.0295	0.0271
Silver Exports (mt)	-0.9733	-2.9720	-0.9715	-1.6372	-1.6396

World Metals Pricing Summary

World Metals Pricing Summary									
	2011	2012	2013	2014	2015				
Copper (\$/mt)	8,828.19	7,962.35	7,332.10	6,863.40	5,510.46				
Zinc (\$/mt)	2,193.90	1,950.41	1,910.26	2,160.97	1,931.68				
Tin (\$/mt)	26,053.68	21,125.99	22,282.80	21,898.87	16,066.63				
Lead (\$/mt)	2,400.81	2,064.64	2,139.79	2,095.46	1,787.82				
Nickel (\$/mt)	22,910.36	17,547.55	15,031.80	16,893.38	11,862.64				
Gold (\$/oz)	1,569.21	1,669.52	1,411.46	1,265.58	1,160.66				
Silver (\$/oz)	35.224	31.137	23.850	19.071	15.721				

Economic Performance Index

Economic Performance Index

The Economic Performance rankings are calculated by CountryWatch's editorial team, and are based on criteria including sustained economic growth, monetary stability, current account deficits, budget surplus, unemployment and structural imbalances. Scores are assessed from 0 to 100 using this aforementioned criteria as well as CountryWatch's proprietary economic research data and models.

	Bank stability risk	Monetary/ Currency stability	Government Finances	Empl./ Unempl.	Econ.GNP growth or decline/ forecast
	0 - 100	0 - 100	0 - 100	0 - 100	0⁄0
North Americas					
Canada	92	69	35	38	3.14%
United States	94	76	4	29	3.01%
Western Europe					
Austria	90	27	30	63	1.33%
Belgium	88	27	19	23	1.15%
Cyprus	81	91	16	80	-0.69%
Denmark	97	70	45	78	1.20%
Finland	89	27	41	33	1.25%

France	87	27	18	27	1.52%
Germany	86	27	22	21	1.25%
Greece	79	27	5	24	-2.00%
Iceland	90	17	2	34	-3.04%
Italy	85	27	37	24	0.84%
Ireland	92	27	11	10	-1.55%
Luxembourg	99	27	28	66	2.08%
Malta	77	27	41	51	0.54%
Netherlands	91	27	26	74	1.30%
Norway	98	44	10	76	1.08%
Portugal	77	27	13	20	0.29%
Spain	83	27	9	3	-0.41%
Sweden	94	72	54	32	1.23%
Switzerland	97	86	55	77	1.53%
United Kingdom	85	12	9	37	1.34%
Central and Eastern Europe					
Albania	44	60	33	6	2.30%
Armenia	45	59	49	30	1.80%

Azerbaijan	56	4	84	99	2.68%
Belarus	59	21	83	98	2.41%
Bosnia and Herzegovina	34	68	69	N/A	0.50%
Bulgaria	58	75	88	49	0.20%
Croatia	69	68	94	9	0.18%
Czech Republic	80	89	29	70	1.67%
Estonia	72	90	66	92	0.80%
Georgia	36	60	53	56	2.00%
Hungary	70	66	26	54	-0.16%
Latvia	67	100	65	44	-3.97%
Lithuania	65	91	87	79	-1.65%
Macedonia (FYR)	53	69	56	2	2.03%
Moldova	23	36	81	67	2.50%
Poland	74	74	38	12	2.72%
Romania	62	56	70	62	0.75%
Russia	73	18	90	8	4.00%
Serbia	48	49	52	5	1.97%

Montenegro	39	27	73	1	-1.70%
Slovak Republic	80	62	30	14	4.06%
Slovenia	81	27	36	65	1.12%
Ukraine	41	11	57	N/A	3.68%
Africa					
Algeria	57	18	96	7	4.55%
Angola	49	1	97	N/A	7.05%
Benin	19	91	20	N/A	3.22%
Botswana	68	58	76	N/A	6.33%
Burkina Faso	16	91	13	N/A	4.41%
Burundi	2	91	6	N/A	3.85%
Cameroon	26	91	91	N/A	2.58%
Cape Verde	52	87	4	N/A	4.96%
Central African Republic	9	91	32	N/A	3.18%
Chad	22	91	89	N/A	4.42%
Congo	52	87	87	N/A	12.13%
Côte d'Ivoire	25	91	82	28	2.98%
Dem. Republic					

Congo	4	91	47	N/A	5.44%
Djibouti	31	76	50	N/A	4.47%
Egypt	37	20	24	69	5.01%
Equatorial Guinea	82	91	85	N/A	0.94%
Eritrea	1	3	1	18	1.81%
Ethiopia	6	45	8	N/A	6.96%
Gabon	64	91	96	N/A	5.36%
Gambia	8	48	86	N/A	4.82%
Ghana	9	11	69	N/A	4.50%
Guinea	10	7	91	N/A	3.03%
Guinea-Bissau	5	91	46	N/A	3.47%
Kenya	20	41	59	N/A	4.11%
Lesotho	13	40	12	N/A	2.98%
Liberia	12	73	74	N/A	5.92%
Libya	73	2	94	N/A	5.22%
Madagascar	4	22	24	N/A	-1.02%
Malawi	7	25	55	N/A	5.96%
Mali	20	91	82	N/A	5.12%

Mauritania	15	13	93	N/A	4.58%
Mauritius	65	52	56	55	4.10%
Morocco	37	72	48	26	3.23%
Mozambique	12	23	71	N/A	6.45%
Namibia	40	39	62	N/A	1.70%
Niger	10	91	21	N/A	4.41%
Nigeria	30	6	61	N/A	6.98%
Rwanda	21	40	68	N/A	5.39%
Sao Tome & Principe	1	61	100	N/A	3.40%
Senegal	24	91	63	N/A	3.44%
Seychelles	60	67	97	N/A	4.01%
Sierra Leone	5	10	39	N/A	4.77%
Somalia	2	38	59	N/A	3.19%
South Africa	61	37	70	N/A	2.59%
Sudan	16	5	73	N/A	5.52%
Swaziland	32	44	79	N/A	1.09%
Tanzania	15	45	32	N/A	6.17%
Togo	8	91	92	N/A	2.56%

Tunisia	50	61	44	39	4.00%
Uganda	11	17	54	N/A	5.59%
Zambia	29	20	49	N/A	5.84%
Zimbabwe	0	8	16	N/A	2.24%
South and Central America					
Argentina	66	3	80	36	3.50%
Belize	47	76	80	N/A	1.00%
Bolivia	32	51	61	81	3.99%
Brazil	71	47	78	11	5.50%
Chile	78	25	92	73	4.72%
Columbia	47	52	34	47	2.25%
Costa Rica	60	42	39	57	3.45%
Ecuador	43	76	75	64	2.51%
El Salvador	35	76	67	N/A	1.04%
Guatemala	46	59	58	N/A	2.52%
Honduras	27	47	58	N/A	2.00%
Mexico	69	42	52	61	4.07%
Nicaragua	23	49	42	N/A	1.75%

Panama	66	76	72	45	5.00%
Paraguay	35	46	66	16	5.27%
Peru	59	66	75	22	6.33%
Suriname	58	26	81	59	4.02%
Uruguay	70	26	27	N/A	5.71%
Venezuela	55	1	28	13	-2.63%
Caribbean					
Antigua & Barbuda	72	76	15	N/A	-2.01%
Bahamas	74	76	45	87	-0.50%
Barbados	67	76	33	15	-0.50%
Bermuda	N/A	N/A	N/A	N/A	N/A
Cuba	45	76	18	95	0.25%
Dominica	53	76	65	N/A	1.40%
Dominican Republic	54	39	43	4	3.50%
Grenada	63	76	48	N/A	0.80%
Guyana	28	56	17	N/A	4.36%
Haiti	11	27	89	N/A	-8.50%
Jamaica	42	9	85	19	-0.28%

St Lucia	55	76	67	N/A	1.14%
St Vincent & Grenadines	49	76	95	N/A	0.50%
Trinidad & Tobago	82	37	77	72	2.13%
Middle East					
Bahrain	84	76	62	91	3.48%
Iran	51	19	40	58	3.01%
Iraq	48	9	8	N/A	7.27%
Israel	87	62	12	48	3.20%
Jordan	41	51	3	N/A	4.10%
Kuwait	96	4	99	N/A	3.10%
Lebanon	63	54	2	N/A	6.00%
Oman	76	16	88	N/A	4.71%
Qatar	99	16	83	N/A	18.54%
Saudi Arabia	76	8	98	N/A	3.70%
Syria	61	24	40	N/A	5.00%
Turkey	75	23	27	60	5.20%
United Arab Emirates	96	24	98	94	1.29%

Yemen	28	2	78	N/A	7.78%
Asia					
Afghanistan	17	70	74	N/A	8.64%
Bangladesh	13	43	25	N/A	5.38%
Bhutan	24	55	5	N/A	6.85%
Brunei	78	19	99	75	0.48%
Cambodia	18	67	42	N/A	4.77%
China	54	90	19	68	11.03%
Hong Kong	89	76	14	82	5.02%
India	31	38	34	35	8.78%
Indonesia	42	46	37	31	6.00%
Japan	88	89	6	71	1.90%
Kazakhstan	62	13	76	42	2.40%
Korea North	18	65	23	N/A	1.50%
Korea South	83	63	22	85	4.44%
Kyrgyz Republic	24	15	84	88	4.61%
Laos	17	54	7	N/A	7.22%
Macao	91	76	14	82	3.00%

Malaysia	68	65	44	90	4.72%
Maldives	44	55	17	N/A	3.45%
Mongolia	33	5	77	93	7.22%
Myanmar	3	41	72	N/A	5.26%
Nepal	3	14	25	N/A	2.97%
Pakistan	19	15	31	41	3.00%
Papua New Guinea	75	50	11	N/A	7.96%
Philippines	30	48	53	43	3.63%
Singapore	93	75	63	40	5.68%
Sri Lanka	38	22	10	N/A	5.50%
Taiwan	84	88	35	89	6.50%
Tajikistan	6	6	60	97	4.00%
Thailand	56	64	90	96	5.46%
Turkmenistan	51	53	68	N/A	12.00%
Uzbekistan	40	10	60	100	8.00%
Vietnam	25	12	20	N/A	6.04%
Pacific					
Australia	96	63	31	46	2.96%

Fiji	46	53	3	N/A	2.06%
Marshall Islands	27	76	46	N/A	1.08%
Micronesia (Fed. States)	N/A	N/A	N/A	N/A	N/A
New Caledonia	96	73	51	52	2.00%
New Zealand	98	73	51	52	2.00%
Samoa	34	88	64	N/A	-2.77%
Solomon Islands	14	71	1	N/A	3.36%
Tonga	26	57	38	N/A	0.60%
Vanuatu	33	58	47	N/A	3.80%

Source:

CountryWatch Inc. www.countrywatch.com

Updated:

This material was produced in 2010; it is subject to updating in 2012.

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Chapter 4

Investment Overview

Foreign Investment Climate

Background

Economic activity consists primarily of subsistence farming and fishing. The islands have few mineral deposits worth exploiting, except for high-grade phosphate. The potential for a tourist industry exists, but the remote location, a lack of adequate facilities, and limited air connections hinder development. Under the original terms of the Compact of Free Association, the US provided \$1.3 billion in grant aid during the period 1986-2001; the level of aid has been subsequently reduced. The Amended Compact of Free Association with the US guarantees the Federated States of Micronesia (FSM) millions of dollars in annual aid through 2023, and establishes a Trust Fund into which the US and the FSM make annual contributions in order to provide annual payouts to the FSM in perpetuity after 2023. The country's medium-term economic outlook appears fragile due not only to the reduction in US assistance but also to the current slow growth of the private sector.

Foreign Investment Assessment

Openness to Foreign Investment

In order to develop its limited economy, develop technology, and train its populace, Micronesia is very open to foreign investment and has developed regulations to encourage foreigners to invest and establish companies. The government's development plan is to develop the construction industry, manufacturing, inter-state trade, and resource exploitation. Interest in foreign direct investment varies from state to state. Each state government determines the regulations for foreign investment within its boundaries.

Micronesia boasts a stable political climate, clean environment, close ties to the United States, and especially attractive marine resources.

Transparency of Regulatory System

Specific actions taken by the Federated States of Micronesia Government towards encouraging foreign direct investment include passing of uniform foreign investment laws by the national and the four state governments. These laws make the foreign investment application process more efficient and transparent.

However, laws passed around the same time actually deter foreign investment. For example, the four percent import duty charged even on capital investments (equipment, fabrics, anything except fishing boats) is a serious deterrent, especially as shipping costs for materials is high to Micronesia.

Labor Force

Total: N/A

By occupation: two-thirds are government employees

Agriculture and Industry

Agriculture products: black pepper, tropical fruits and vegetables, coconuts, cassava (tapioca), betel nuts, sweet potatoes; pigs, chickens

Industries: tourism, construction, fish processing, specialized aquaculture, craft items from shell, wood, and pearls

Import Commodities and Partners

Commodities: food, manufactured goods, machinery and equipment, beverages

Partners: U.S., Australia, Japan

Export Commodities and Partners

Commodities: fish, garments, bananas, black pepper

Partners: Japan, U.S., Guam

Telephone System

Telephones- main lines in use: 10,100

Telephones- mobile cellular: 1,800

General Assessment: adequate system

Domestic: islands interconnected by shortwave radiotelephone (used mostly for government purposes), satellite (Intelsat) ground stations, and some coaxial and fiber-optic cable; cellular service available on Kosrae, Pohnpei, and Yap

International: country code - 691; satellite earth stations - 5 Intelsat

Internet

Internet Hosts: none

Internet users: 6,000

Roads, Airports, Ports and Harbors

Railways: none

Highways: 240 km

Ports and harbors: Colonia (Yap), Kolonia (Pohnpei), Lele, Moen

Airports: 6; w/paved runways: 6

Legal System and Considerations

Micronesia's legal system is based on adapted Trust Territory laws, acts of the legislature, municipal, common, and customary laws.

Dispute Settlement

N/A

Corruption Perception Ranking

N/A

For more information see:

United States' State Department Commercial Guide

Foreign Investment Index

Foreign Investment Index

The Foreign Investment Index is a proprietary index measuring attractiveness to international investment flows. The Foreign Investment Index is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on a given country's economic stability (sustained economic growth, monetary stability, current account deficits, budget surplus), economic risk (risk of non-servicing of payments for goods or services, loans and trade-related finance, risk of

sovereign default), business and investment climate (property rights, labor force and laws, regulatory transparency, openness to foreign investment, market conditions, and stability of government). Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of foreign investment viability, while a score of 10 marks the highest level of foreign investment viability, according to this proprietary index.

Country	Assessment
Afghanistan	2
Albania	4.5
Algeria	6
Andorra	9
Angola	4.5-5
Antigua	8.5
Argentina	5
Armenia	5
Australia	9.5
Austria	9-9.5
Azerbaijan	5
Bahamas	9

Bahrain	7.5
Bangladesh	4.5
Barbados	9
Belarus	4
Belgium	9
Belize	7.5
Benin	5.5
Bhutan	4.5
Bolivia	4.5
Bosnia-Herzegovina	5
Botswana	7.5-8
Brazil	8
Brunei	7
Bulgaria	5.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5

Cameroon	5
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4
Chile	9
China	7.5
China: Hong Kong	8.5
China: Taiwan	8.5
Colombia	7
Comoros	4
Congo DRC	4
Congo RC	5
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4.5
Cyprus	7

Czech Republic	8.5
Denmark	9.5
Djibouti	4.5
Dominica	6
Dominican Republic	6.5
East Timor	4.5
Ecuador	5.5
Egypt	4.5-5
El Salvador	6
Equatorial Guinea	4.5
Eritrea	3.5
Estonia	8
Ethiopia	4.5
Fiji	5
Finland	9
Former Yugoslav Rep. of Macedonia	5
France	9-9.5
Gabon	5.5

Gambia	5
Georgia	5
Germany	9-9.5
Ghana	5.5
Greece	5
Grenada	7.5
Guatemala	5.5
Guinea	3.5
Guinea-Bissau	3.5
Guyana	4.5
Haiti	4
Holy See (Vatican)	n/a
Hong Kong (China)	8.5
Honduras	5.5
Hungary	8
Iceland	8-8.5
India	8
Indonesia	5.5

Iran	4
Iraq	3
Ireland	8
Israel	8.5
Italy	8
Jamaica	5.5
Japan	9.5
Jordan	6
Kazakhstan	6
Kenya	5
Kiribati	5.5
Korea, North	1
Korea, South	9
Kosovo	4.5
Kuwait	8.5
Kyrgyzstan	4.5
Laos	4
Latvia	7

Lebanon	5
Lesotho	5.5
Liberia	3.5
Libya	3
Liechtenstein	9
Lithuania	7.5
Luxembourg	9-9.5
Madagascar	4.5
Malawi	4.5
Malaysia	8.5
Maldives	6.5
Mali	5
Malta	9
Marshall Islands	5
Mauritania	4.5
Mauritius	7.5-8
Mexico	6.5-7
Micronesia	5

Monaco Mongolia Montenegro Image: Comparison of the second se	9 5 5.5
Montenegro	5 5
	5.5
Morocco	7.5
Mozambique	5
Namibia	7.5
Nauru	4.5
Nepal	4
Netherlands 9	9-9.5
New Zealand	9.5
Nicaragua	5
Niger	4.5
Nigeria	4.5
Norway 9	9-9.5
Oman	8
Pakistan	4
Palau 4	4.5-5

Panama	7
Papua New Guinea	5
Paraguay	6
Peru	6
Philippines	6
Poland	8
Portugal	7.5-8
Qatar	9
Romania	6-6.5
Russia	6
Rwanda	4
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	7
Samoa	7
San Marino	8.5
Sao Tome and Principe	4.5-5
Saudi Arabia	7

Senegal	6
Serbia	6
Seychelles	5
Sierra Leone	4
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	8.5-9
Solomon Islands	5
Somalia	2
South Africa	8
Spain	7.5-8
Sri Lanka	5.5
Sudan	4
Suriname	5
Swaziland	4.5
Sweden	9.5
Switzerland	9.5
Syria	2.5

Tajikistan	4
Taiwan (China)	8.5
Tanzania	5
Thailand	7.5-8
Togo	4.5-5
Tonga	5.5-6
Trinidad and Tobago	8-8.5
Tunisia	6
Turkey	6.5-7
Turkmenistan	4
Tuvalu	7
Uganda	5
Ukraine	4.5-5
United Arab Emirates	8.5
United Kingdom	9
United States	9
Uruguay	6.5-7
Uzbekistan	4
Uzbekistan	4

Vanuatu	6
Venezuela	5
Vietnam	5.5
Yemen	3
Zambia	4.5-5
Zimbabwe	3.5

Editor's Note:

As of 2015, the global economic crisis (emerging in 2008) had affected many countries across the world, resulting in changes to their rankings. Among those countries affected were top tier economies, such as the <u>United Kingdom</u>, <u>Iceland</u>, <u>Switzerland</u> and <u>Austria</u>. However, in all these cases, their rankings have moved back upward in the last couple of years as anxieties have eased. Other top tier countries, such as <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u>, suffered some effects due to debt woes and the concomitant effect on the euro zone. Greece, another euro zone nation, was also downgraded due to its sovereign debt crisis; however, Greece's position on the precipice of default incurred a sharper downgrade than the other four euro zone countries mentioned above. Cyprus' exposure to Greek bank yielded a downgrade in its case. Slovenia and <u>Latvia</u> have been slightly downgraded due to a mix of economic and political concerns but could easily be upgraded in a future assessment, should these concerns abate. Meanwhile, the crisis in eastern <u>Ukraine</u> fueled downgrades in that country and neighboring <u>Russia</u>.

Despite the "trifecta of tragedy" in Japan in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both India and China retain their rankings; India holds a slightly higher ranking than China due to its record of democratic representation and accountability.

There were shifts in opposite directions for <u>Mali</u> and <u>Nigeria</u> versus the <u>Central African Republic</u>, <u>Burkina Faso</u>, and <u>Burundi</u>. <u>Mali</u> was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Likewise, a new government in <u>Nigeria</u> generated a slight upgrade as the country attempts to confront corruption, crime, and terrorism. But the <u>Central African Republic</u> was downgraded due to the takeover of the government by Seleka rebels and the continued decline into lawlessness in that country. Likewise, the attempts by the leaders of <u>Burundi</u> and <u>Burkina Faso</u> to hold onto power by by-passing the constitution raised eybrows and resulted in downgrades.

Political unrest in Libya and Algeria have contributed to a decision to marginally downgrade these countries as well. Syria incurred a sharper downgrade due to the devolution into de facto civil war and the dire security threat posed by Islamist terrorists. Iraq saw a similar downgrade as a result of the takeover of wide swaths of territory and the threat of genocide at the hands of Islamist terrorists. Yemen, likewise, has been downgraded due to political instability at the hands of secessionists, terrorists, Houthi rebels, and the intervention of external parties. Conversely, Egypt and Tunisia saw slight upgrades as their political environments stabilize.

At the low end of the spectrum, devolving security conditions and/or economic crisis have resulted in countries like <u>Pakistan</u>, <u>Afghanistan</u>, <u>Somalia</u>, and <u>Zimbabwe</u> maintaining their low ratings.

The <u>United States</u> continues to retain its previous slight downgrade due to the enduring threat of default surrounding the debt ceiling in that country, matched by a conflict-ridden political climate. In the case of <u>Mexico</u>, there is limited concern about default, but increasing alarm over the security situation in that country and the government's ability to contain it. In <u>Argentina</u>, a default to bond holders resulted in a downgrade to that country. Finally, a small but significant upgrade was attributed to <u>Cuba</u> due to its recent pro-business reforms and its normalization of ties with the Unitd States.

Source:

CountryWatch Inc. www.countrywatch.com

Updated:

2015

Corruption Perceptions Index

Corruption Perceptions Index

Transparency International: <u>Corruption Perceptions Index</u>

Editor's Note:

Transparency International's <u>Corruption Perceptions Index</u> is a composite index which ranks countries in terms of the degree to which corruption is perceived to exist among public officials. This index indicates the views of national and international business people and analysts about the levels of corruption in each country. The highest (and best) level of transparency is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

Rank	Country/Territory	CPI 2009 Score	Surveys Used	Confidence Range
1	New Zealand	9.4	6	9.1 - 9.5
2	Denmark	9.3	6	9.1 - 9.5
3	Singapore	9.2	9	9.0 - 9.4
3	Sweden	9.2	6	9.0 - 9.3
5	Switzerland	9.0	6	8.9 - 9.1
6	Finland	8.9	6	8.4 - 9.4
6	Netherlands	8.9	6	8.7 - 9.0
8	Australia	8.7	8	8.3 - 9.0
8	Canada	8.7	6	8.5 - 9.0
8	Iceland	8.7	4	7.5 - 9.4
11	Norway	8.6	6	8.2 - 9.1
12	Hong Kong	8.2	8	7.9 - 8.5

14 Germany 8.0 6 7.7 - 8.3 14 Ireland 8.0 6 7.8 - 8.4 16 Austria 7.9 6 7.4 - 8.3 17 Japan 7.7 8 7.4 - 8.0 17 United Kingdom 7.7 6 7.3 - 8.2 19 United States 7.5 8 6.9 - 8.0 20 Barbados 7.4 4 6.6 - 8.2 21 Belgium 7.1 6 5.8 - 8.1 22 Qatar 7.0 6 5.8 - 8.1 22 Saint Lucia 7.0 3 6.7 - 7.5 24 France 6.9 6 6.5 - 7.3 25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Cyprus 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9 30 United Arab Emirates	12	Luxembourg	8.2	6	7.6 - 8.8
16 Austria 7.9 6 7.4 - 8.3 17 Japan 7.7 8 7.4 - 8.0 17 United Kingdom 7.7 6 7.3 - 8.2 19 United States 7.5 8 6.9 - 8.0 20 Barbados 7.4 4 6.6 - 8.2 21 Belgium 7.1 6 5.8 - 8.1 22 Qatar 7.0 6 5.8 - 8.1 22 Saint Lucia 7.0 3 6.7 - 7.5 24 France 6.9 6 6.5 - 7.3 25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Cyprus 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	14	Germany	8.0	6	7.7 - 8.3
Instruction Instruction <thinstruction< th=""> <thinstruction< th=""></thinstruction<></thinstruction<>	14	Ireland	8.0	6	7.8 - 8.4
Image: Constraint of the second sec	16	Austria	7.9	6	7.4 - 8.3
19 United States 7.5 8 6.9 - 8.0 20 Barbados 7.4 4 6.6 - 8.2 21 Belgium 7.1 6 6.9 - 7.3 22 Qatar 7.0 6 5.8 - 8.1 22 Saint Lucia 7.0 3 6.7 - 7.5 24 France 6.9 6 6.5 - 7.3 25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Cyprus 6.6 4 6.1 - 7.1 27 Estonia 6.6 8 6.3 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	17	Japan	7.7	8	7.4 - 8.0
20 Barbados 7.4 4 6.6 - 8.2 21 Belgium 7.1 6 6.9 - 7.3 22 Qatar 7.0 6 5.8 - 8.1 22 Qatar 7.0 3 6.7 - 7.5 24 France 6.9 6 6.5 - 7.3 25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	17	United Kingdom	7.7	6	7.3 - 8.2
21 Belgium 7.1 6 6.9 - 7.3 22 Qatar 7.0 6 5.8 - 8.1 22 Saint Lucia 7.0 3 6.7 - 7.5 24 France 6.9 6 6.5 - 7.3 25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	19	United States	7.5	8	6.9 - 8.0
22 Qatar 7.0 6 5.8 - 8.1 22 Saint Lucia 7.0 3 6.7 - 7.5 24 France 6.9 6 6.5 - 7.3 25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	20	Barbados	7.4	4	6.6 - 8.2
22 Saint Lucia 7.0 3 6.7 - 7.5 24 France 6.9 6 6.5 - 7.3 25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	21	Belgium	7.1	6	6.9 - 7.3
24 France 6.9 6 6.5 - 7.3 25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Cyprus 6.6 4 6.1 - 7.1 27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	22	Qatar	7.0	6	5.8 - 8.1
25 Chile 6.7 7 6.5 - 6.9 25 Uruguay 6.7 5 6.4 - 7.1 27 Cyprus 6.6 4 6.1 - 7.1 27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	22	Saint Lucia	7.0	3	6.7 - 7.5
25 Uruguay 6.7 5 6.4 - 7.1 27 Cyprus 6.6 4 6.1 - 7.1 27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	24	France	6.9	6	6.5 - 7.3
27 Cyprus 6.6 4 6.1 - 7.1 27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	25	Chile	6.7	7	6.5 - 6.9
27 Estonia 6.6 8 6.1 - 6.9 27 Slovenia 6.6 8 6.3 - 6.9	25	Uruguay	6.7	5	6.4 - 7.1
27 Slovenia 6.6 8 6.3 - 6.9	27	Cyprus	6.6	4	6.1 - 7.1
Image: Image and the second se	27	Estonia	6.6	8	6.1 - 6.9
30 United Arab Emirates 6.5 5 5.5 - 7.5	27	Slovenia	6.6	8	6.3 - 6.9
	30	United Arab Emirates	6.5	5	5.5 - 7.5

31	Saint Vincent and the Grenadines	6.4	3	4.9 - 7.5
32	Israel	6.1	6	5.4 - 6.7
32	Spain	6.1	6	5.5 - 6.6
34	Dominica	5.9	3	4.9 - 6.7
35	Portugal	5.8	6	5.5 - 6.2
35	Puerto Rico	5.8	4	5.2 - 6.3
37	Botswana	5.6	6	5.1 - 6.3
37	Taiwan	5.6	9	5.4 - 5.9
39	Brunei Darussalam	5.5	4	4.7 - 6.4
39	Oman	5.5	5	4.4 - 6.5
39	Korea (South)	5.5	9	5.3 - 5.7
42	Mauritius	5.4	6	5.0 - 5.9
43	Costa Rica	5.3	5	4.7 - 5.9
43	Macau	5.3	3	3.3 - 6.9
45	Malta	5.2	4	4.0 - 6.2
46	Bahrain	5.1	5	4.2 - 5.8
46	Cape Verde	5.1	3	3.3 - 7.0
46	Hungary	5.1	8	4.6 - 5.7

49	Bhutan	5.0	4	4.3 - 5.6
49	Jordan	5.0	7	3.9 - 6.1
49	Poland	5.0	8	4.5 - 5.5
52	Czech Republic	4.9	8	4.3 - 5.6
52	Lithuania	4.9	8	4.4 - 5.4
54	Seychelles	4.8	3	3.0 - 6.7
55	South Africa	4.7	8	4.3 - 4.9
56	Latvia	4.5	6	4.1 - 4.9
56	Malaysia	4.5	9	4.0 - 5.1
56	Namibia	4.5	6	3.9 - 5.1
56	Samoa	4.5	3	3.3 - 5.3
56	Slovakia	4.5	8	4.1 - 4.9
61	Cuba	4.4	3	3.5 - 5.1
61	Turkey	4.4	7	3.9 - 4.9
63	Italy	4.3	6	3.8 - 4.9
63	Saudi Arabia	4.3	5	3.1 - 5.3
65	Tunisia	4.2	6	3.0 - 5.5
66	Croatia	4.1	8	3.7 - 4.5

66	Georgia	4.1	7	3.4 - 4.7
66	Kuwait	4.1	5	3.2 - 5.1
69	Ghana	3.9	7	3.2 - 4.6
69	Montenegro	3.9	5	3.5 - 4.4
71	Bulgaria	3.8	8	3.2 - 4.5
71	FYR Macedonia	3.8	6	3.4 - 4.2
71	Greece	3.8	6	3.2 - 4.3
71	Romania	3.8	8	3.2 - 4.3
75	Brazil	3.7	7	3.3 - 4.3
75	Colombia	3.7	7	3.1 - 4.3
75	Peru	3.7	7	3.4 - 4.1
75	Suriname	3.7	3	3.0 - 4.7
79	Burkina Faso	3.6	7	2.8 - 4.4
79	China	3.6	9	3.0 - 4.2
79	Swaziland	3.6	3	3.0 - 4.7
79	Trinidad and Tobago	3.6	4	3.0 - 4.3
83	Serbia	3.5	6	3.3 - 3.9
84	El Salvador	3.4	5	3.0 - 3.8

Micronesia

84	Guatemala	3.4	5	3.0 - 3.9
84	India	3.4	10	3.2 - 3.6
84	Panama	3.4	5	3.1 - 3.7
84	Thailand	3.4	9	3.0 - 3.8
89	Lesotho	3.3	6	2.8 - 3.8
89	Malawi	3.3	7	2.7 - 3.9
89	Mexico	3.3	7	3.2 - 3.5
89	Moldova	3.3	6	2.7 - 4.0
89	Morocco	3.3	6	2.8 - 3.9
89	Rwanda	3.3	4	2.9 - 3.7
95	Albania	3.2	6	3.0 - 3.3
95	Vanuatu	3.2	3	2.3 - 4.7
97	Liberia	3.1	3	1.9 - 3.8
97	Sri Lanka	3.1	7	2.8 - 3.4
99	Bosnia and Herzegovina	3.0	7	2.6 - 3.4
99	Dominican Republic	3.0	5	2.9 - 3.2
99	Jamaica	3.0	5	2.8 - 3.3
99	Madagascar	3.0	7	2.8 - 3.2

99	Senegal	3.0	7	2.5 - 3.6
99	Tonga	3.0	3	2.6 - 3.3
99	Zambia	3.0	7	2.8 - 3.2
106	Argentina	2.9	7	2.6 - 3.1
106	Benin	2.9	6	2.3 - 3.4
106	Gabon	2.9	3	2.6 - 3.1
106	Gambia	2.9	5	1.6 - 4.0
106	Niger	2.9	5	2.7 - 3.0
111	Algeria	2.8	6	2.5 - 3.1
111	Djibouti	2.8	4	2.3 - 3.2
111	Egypt	2.8	6	2.6 - 3.1
111	Indonesia	2.8	9	2.4 - 3.2
111	Kiribati	2.8	3	2.3 - 3.3
111	Mali	2.8	6	2.4 - 3.2
111	Sao Tome and Principe	2.8	3	2.4 - 3.3
111	Solomon Islands	2.8	3	2.3 - 3.3
111	Togo	2.8	5	1.9 - 3.9
120	Armenia	2.7	7	2.6 - 2.8

120	Bolivia	2.7	6	2.4 - 3.1
120	Ethiopia	2.7	7	2.4 - 2.9
120	Kazakhstan	2.7	7	2.1 - 3.3
120	Mongolia	2.7	7	2.4 - 3.0
120	Vietnam	2.7	9	2.4 - 3.1
126	Eritrea	2.6	4	1.6 - 3.8
126	Guyana	2.6	4	2.5 - 2.7
126	Syria	2.6	5	2.2 - 2.9
126	Tanzania	2.6	7	2.4 - 2.9
130	Honduras	2.5	6	2.2 - 2.8
130	Lebanon	2.5	3	1.9 - 3.1
130	Libya	2.5	6	2.2 - 2.8
130	Maldives	2.5	4	1.8 - 3.2
130	Mauritania	2.5	7	2.0 - 3.3
130	Mozambique	2.5	7	2.3 - 2.8
130	Nicaragua	2.5	6	2.3 - 2.7
130	Nigeria	2.5	7	2.2 - 2.7
130	Uganda	2.5	7	2.1 - 2.8

139	Bangladesh	2.4	7	2.0 - 2.8
139	Belarus	2.4	4	2.0 - 2.8
139	Pakistan	2.4	7	2.1 - 2.7
139	Philippines	2.4	9	2.1 - 2.7
143	Azerbaijan	2.3	7	2.0 - 2.6
143	Comoros	2.3	3	1.6 - 3.3
143	Nepal	2.3	6	2.0 - 2.6
146	Cameroon	2.2	7	1.9 - 2.6
146	Ecuador	2.2	5	2.0 - 2.5
146	Kenya	2.2	7	1.9 - 2.5
146	Russia	2.2	8	1.9 - 2.4
146	Sierra Leone	2.2	5	1.9 - 2.4
146	Timor-Leste	2.2	5	1.8 - 2.6
146	Ukraine	2.2	8	2.0 - 2.6
146	Zimbabwe	2.2	7	1.7 - 2.8
154	Côte d'Ivoire	2.1	7	1.8 - 2.4
154	Papua New Guinea	2.1	5	1.7 - 2.5
154	Paraguay	2.1	5	1.7 - 2.5

Micronesia

154	Yemen	2.1	4	1.6 - 2.5
158	Cambodia	2.0	8	1.8 - 2.2
158	Central African Republic	2.0	4	1.9 - 2.2
158	Laos	2.0	4	1.6 - 2.6
158	Tajikistan	2.0	8	1.6 - 2.5
162	Angola	1.9	5	1.8 - 1.9
162	Congo Brazzaville	1.9	5	1.6 - 2.1
162	Democratic Republic of Congo	1.9	5	1.7 - 2.1
162	Guinea-Bissau	1.9	3	1.8 - 2.0
162	Kyrgyzstan	1.9	7	1.8 - 2.1
162	Venezuela	1.9	7	1.8 - 2.0
168	Burundi	1.8	6	1.6 - 2.0
168	Equatorial Guinea	1.8	3	1.6 - 1.9
168	Guinea	1.8	5	1.7 - 1.8
168	Haiti	1.8	3	1.4 - 2.3
168	Iran	1.8	3	1.7 - 1.9
168	Turkmenistan	1.8	4	1.7 - 1.9
174	Uzbekistan	1.7	6	1.5 - 1.8

175	Chad	1.6	6	1.5 - 1.7
176	Iraq	1.5	3	1.2 - 1.8
176	Sudan	1.5	5	1.4 - 1.7
178	Myanmar	1.4	3	0.9 - 1.8
179	Afghanistan	1.3	4	1.0 - 1.5
180	Somalia	1.1	3	0.9 - 1.4

Methodology:

As noted above, the highest (and best) level of transparency with the least perceived corruption is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

According to Transparency International, the <u>Corruption Perceptions Index</u> (CPI) table shows a country's ranking and score, the number of surveys used to determine the score, and the confidence range of the scoring.

The rank shows how one country compares to others included in the index. The CPI score indicates the perceived level of public-sector corruption in a country/territory.

The CPI is based on 13 independent surveys. However, not all surveys include all countries. The surveys used column indicates how many surveys were relied upon to determine the score for that country.

The confidence range indicates the reliability of the CPI scores and tells us that allowing for a margin of error, we can be 90% confident that the true score for this country lies within this range.

Note:

Kosovo, which separated from the Yugoslav successor state of <u>Serbia</u>, is not listed above. No calculation is available for <u>Kosovo</u> at this time, however, a future corruption index by Transparency International may include the world's newest country in its tally. Taiwan has been

listed above despite its contested status; while Taiwan claims sovereign status, <u>China</u> claims ultimate jurisdiction over Taiwan. Hong Kong, which is also under the rubric of Chinese sovereignty, is listed above. Note as well that Puerto Rico, which is a <u>United States</u> domain, is also included in the list above. These inclusions likely have to do with the size and fairly autonomous status of their economies.

Source:

Transparency International's Corruption Perception Index; available at URL: <u>http://www.transparency.org</u>

Updated:

Uploaded in 2011 using most recent ranking available; reviewed in 2015.

Competitiveness Ranking

Competitiveness Ranking

Editor's Note:

The Global Competitiveness Report's competitiveness ranking is based on the Global Competitiveness Index (GCI), which was developed for the World Economic Forum. The GCI is based on a number of competitiveness considerations, and provides a comprehensive picture of the competitiveness landscape in countries around the world. The competitiveness considerations are: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation. The rankings are calculated from both publicly available data and the Executive Opinion Survey.

Country/Economy	GCI 2010 Rank	GCI 2010 Score	GCI 2009 Rank	Change 2009-2010
Switzerland	1	5.63	1	0
Sweden	2	5.56	4	2

Singapore	3	5.48	3	0
United States	4	5.43	2	-2
Germany	5	5.39	7	2
Japan	6	5.37	8	2
Finland	7	5.37	6	-1
Netherlands	8	5.33	10	2
Denmark	9	5.32	5	-4
Canada	10	5.30	9	-1
Hong Kong SAR	11	5.30	11	0
United Kingdom	12	5.25	13	1
Taiwan, China	13	5.21	12	-1
Norway	14	5.14	14	0
France	15	5.13	16	1
Australia	16	5.11	15	-1
Qatar	17	5.10	22	5
Austria	18	5.09	17	-1
Belgium	19	5.07	18	-1
Luxembourg	20	5.05	21	1

Saudi Arabia	21	4.95	28	7
Korea, Rep.	22	4.93	19	-3
New Zealand	23	4.92	20	-3
Israel	24	4.91	27	3
United Arab Emirates	25	4.89	23	-2
Malaysia	26	4.88	24	-2
China	27	4.84	29	2
Brunei Darussalam	28	4.75	32	4
Ireland	29	4.74	25	-4
Chile	30	4.69	30	0
Iceland	31	4.68	26	-5
Tunisia	32	4.65	40	8
Estonia	33	4.61	35	2
Oman	34	4.61	41	7
Kuwait	35	4.59	39	4
Czech Republic	36	4.57	31	-5
Bahrain	37	4.54	38	1
Thailand	38	4.51	36	-2

Poland	39	4.51	46	7
Cyprus	40	4.50	34	-6
Puerto Rico	41	4.49	42	1
Spain	42	4.49	33	-9
Barbados	43	4.45	44	1
Indonesia	44	4.43	54	10
Slovenia	45	4.42	37	-8
Portugal	46	4.38	43	-3
Lithuania	47	4.38	53	6
Italy	48	4.37	48	0
Montenegro	49	4.36	62	13
Malta	50	4.34	52	2
India	51	4.33	49	-2
Hungary	52	4.33	58	6
Panama	53	4.33	59	6
South Africa	54	4.32	45	-9
Mauritius	55	4.32	57	2
Costa Rica	56	4.31	55	-1

Azerbaijan	57	4.29	51	-6
Brazil	58	4.28	56	-2
Vietnam	59	4.27	75	16
Slovak Republic	60	4.25	47	-13
Turkey	61	4.25	61	0
Sri Lanka	62	4.25	79	17
Russian Federation	63	4.24	63	0
Uruguay	64	4.23	65	1
Jordan	65	4.21	50	-15
Mexico	66	4.19	60	-6
Romania	67	4.16	64	-3
Colombia	68	4.14	69	1
Iran	69	4.14	n/a	n/a
Latvia	70	4.14	68	-2
Bulgaria	71	4.13	76	5
Kazakhstan	72	4.12	67	-5
Peru	73	4.11	78	5
Namibia	74	4.09	74	0

Morocco	75	4.08	73	-2
Botswana	76	4.05	66	-10
Croatia	77	4.04	72	-5
Guatemala	78	4.04	80	2
Macedonia, FYR	79	4.02	84	5
Rwanda	80	4.00	n/a	n/a
Egypt	81	4.00	70	-11
El Salvador	82	3.99	77	-5
Greece	83	3.99	71	-12
Trinidad and Tobago	84	3.97	86	2
Philippines	85	3.96	87	2
Algeria	86	3.96	83	-3
Argentina	87	3.95	85	-2
Albania	88	3.94	96	8
Ukraine	89	3.90	82	-7
Gambia, The	90	3.90	81	-9
Honduras	91	3.89	89	-2
Lebanon	92	3.89	n/a	n/a

Georgia	93	3.86	90	-3
Moldova	94	3.86	n/a	n/a
Jamaica	95	3.85	91	-4
Serbia	96	3.84	93	-3
Syria	97	3.79	94	-3
Armenia	98	3.76	97	-1
Mongolia	99	3.75	117	18
Libya	100	3.74	88	-12
Dominican Republic	101	3.72	95	-6
Bosnia and Herzegovina	102	3.70	109	7
Benin	103	3.69	103	0
Senegal	104	3.67	92	-12
Ecuador	105	3.65	105	0
Kenya	106	3.65	98	-8
Bangladesh	107	3.64	106	-1
Bolivia	108	3.64	120	12
Cambodia	109	3.63	110	1
Guyana	110	3.62	104	-6

Cameroon	111	3.58	111	0
Nicaragua	112	3.57	115	3
Tanzania	113	3.56	100	-13
Ghana	114	3.56	114	0
Zambia	115	3.55	112	-3
Tajikistan	116	3.53	122	6
Cape Verde	117	3.51	n/a	n/a
Uganda	118	3.51	108	-10
Ethiopia	119	3.51	118	-1
Paraguay	120	3.49	124	4
Kyrgyz Republic	121	3.49	123	2
Venezuela	122	3.48	113	-9
Pakistan	123	3.48	101	-22
Madagascar	124	3.46	121	-3
Malawi	125	3.45	119	-6
Swaziland	126	3.40	n/a	n/a
Nigeria	127	3.38	99	-28
Lesotho	128	3.36	107	-21

Côte d'Ivoire	129	3.35	116	-13
Nepal	130	3.34	125	-5
Mozambique	131	3.32	129	-2
Mali	132	3.28	130	-2
Timor-Leste	133	3.23	126	-7
Burkina Faso	134	3.20	128	-6
Mauritania	135	3.14	127	-8
Zimbabwe	136	3.03	132	-4
Burundi	137	2.96	133	-4
Angola	138	2.93	n/a	n/a
Chad	139	2.73	131	-8

Methodology:

The competitiveness rankings are calculated from both publicly available data and the Executive Opinion Survey, a comprehensive annual survey conducted by the World Economic Forum together with its network of Partner Institutes (leading research institutes and business organizations) in the countries covered by the Report.

Highlights according to WEF ---

- The <u>United States</u> falls two places to fourth position, overtaken by <u>Sweden</u> and <u>Singapore</u> in the rankings of the World Economic Forum's Global Competitiveness Report 2010-2011

- The People's Republic of <u>China</u> continues to move up the rankings, with marked improvements in several other Asian countries

- <u>Germany</u> moves up two places to fifth place, leading the Eurozone countries
- <u>Switzerland</u> tops the rankings

Source:

World Economic Forum; available at URL: http://www.weforum.org

Updated:

2011 using most recent ranking available; reviewed in 2015.

Taxation

Business tax

In Micronesia, a business tax is imposed on all businesses, irrespective of the type of organization. Businesses are required to file returns on a quarterly basis. Tax is then imposed on the gross revenue reportable under the accrual method of accounting.

Individual tax

Employees are subject to tax on their wages and/or salaries and there are no exemptions or deductions. The tax is paid through a withholding system and employees do not actually file tax returns.

Import tax

All goods imported into the FSM for resale are subject to an import tax. The rates vary with the type of commodity.

Social security

Social security contributions are applied at 6 percent on gross salaries.

Stock Market

There is no stock market information available for the Federated States of Micronesia.

Partner Links

Partner Links

Chapter 5

Social Overview

People

Demography

The Federated States of Micronesia (FSM) consists of 607 islands extending 1,800 miles across the archipelago of the Caroline Islands just north of the equator in the Pacific Ocean. About 60 of the islands are inhabited. The FSM includes four major states: Yap, Chuuk (formerly Truk), Pohnpei (formerly Ponape), and Kosrae (formerly Kusaie). The estimated total population is under 110,000, with nearly half the total residing in the state of Chuuk. Pohnpei has about 40,000 people, Yap 15,000, and Kosrae approximately 10,000.

<u>Culture</u>

People in each of these four states have their own distinct culture and tradition, but there are also common, centuries-old cultural and economic bonds. Salient cultural similarities include the importance of the traditional extended family, the matrilineal social structure, and the clan systems found on each island. A significant point of variance, however, is found in the power structure. That is to say, three of the four states recognize the role of traditional leaders and customs, while the fourth, Kosrae, has no traditional leaders.

Ethnicity

The ancestors of today's Micronesian population probably arrived in the region more than 2,500 years ago. The Micronesian people are an ethnic group descended from early island settlers of Melanesian, Polynesian and Malaysian origins. Apart from the Micronesians, there are also a small number of Polynesians living in the FSM, primarily on Nukuoro and Kapingamarangi Atolls, and other Pacific Islanders and Filipinos. Archeologically, the most notable remnant of past civilization is a complex of massive basalt fortifications, about 800 years old, on Pohnpei. More recent historical events have added the influence of European, Japanese and American contacts to the cultural mix.

Religion

Nearly all Micronesians are Christian. Yapese are mostly Catholic, while most Kosraeans are Protestant. Pohnpeians and Chuukese are a mixture of Catholic and Protestant adherents. English is the official language, and has become a commonly spoken tongue that unifies the citizens of the FSM. Eight indigenous Malayo-Polynesian languages are spoken: Chuukese, Kosraean, Kapingamarangi, Nukuoran, Pohnpeian, Ulithian, Woleaian and Yapese.

Human Development

The population of Micronesia has a life expectancy at birth of 70.65 years (68.79 for males, and 72.61 for females) and an infant mortality rate of 27.03 deaths/1,000 live births. In terms of literacy, 89 percent (88 percent of the female population and 91 percent of the male population), age 15 and over, can read and write.

About 3.9 percent of GDP is spend on health expenditures. Access to water is considered to be good; however, standards for sanitation are less than optimal in rural areas.

Written by Dr. Denise Youngblood Coleman, Editor in Chief, <u>www.countrywatch.com</u>; see Bibliography for list research sources.

Human Development Index

Human Development Index

Human Development Index (Ranked Numerically)

The <u>Human Development Index</u> (HDI) is used to measure quality of life in countries across the world. The HDI has been compiled since 1990 by the United Nations Development Programme (UNDP) on a regular basis. The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, education, and economic standard of living. Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI offers a wide-ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators. For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this review.

Very High Human Development	High Human Development	Medium Human Development	Low Human Development
1. Norway	43. Bahamas	86. Fiji	128. Kenya
2. Australia	44. Lithuania	87. Turkmenistan	129. Bangladesh
3. New Zealand	45. Chile	88. Dominican Republic	130. Ghana
4. United States	46. Argentina	89. China	131. Cameroon
5. Ireland	47. Kuwait	90. El Salvador	132. Myanmar (Burma)
6. Liechtenstein	48. Latvia	91. Sri Lanka	133. Yemen
7. Netherlands	49. Montenegro	92. Thailand	134. Benin
8. Canada	50. Romania	93. Gabon	135. Madagascar
9. Sweden	51. Croatia	94. Surname	136. Mauritania
10. Germany	52. Uruguay	95. Bolivia	137. Papua New Guinea
11. Japan	53. Libya	96. Paraguay	138. Nepal
12. South Korea	54. Panama	97. Philippines	139. Togo
13. Switzerland	55. Saudi Arabia	98. Botswana	140. Comoros
14. France	56. Mexico	99. Moldova	141. Lesotho
15. Israel	57. Malaysia	100. Mongolia	142. Nigeria

16. Finland	58. Bulgaria	101. Egypt	143. Uganda
17. Iceland	59. Trinidad and Tobago	102. Uzbekistan	144. Senegal
18. Belgium	60. Serbia	103. Micronesia	145. Haiti
19. Denmark	61. Belarus	104. Guyana	146. Angola
20. Spain	62. Costa Rica	105. Namibia	147. Djibouti
21. Hong King	63. Peru	106. Honduras	148. Tanzania
22. Greece	64. Albania	107. Maldives	149. Cote d'Ivoire
23. Italy	65. Russian Federation	108. Indonesia	150. Zambia
24. Luxembourg	66. Kazakhstan	109. Kyrgyzstan	151. Gambia
25. Austria	67. Azerbaijan	110. South Africa	152. Rwanda
26. United Kingdom	68. Bosnia and Herzegovina	111. Syria	153. Malawi
27. Singapore	69. Ukraine	112. Tajikistan	154. Sudan
28. Czech Republic	70. Iran	113. Vietnam	155. Afghanistan
29. Slovenia	71. The former Yugoslav Republic of Macedonia	114. Morocco	156. Guinea
30. Andorra	72. Mauritius	115. Nicaragua	157. Ethiopia
31. Slovakia	73. Brazil	116. Guatemala	158. Sierra Leone

32. United Arab Emirates	74. Georgia	117. Equatorial Guinea	159. Central African Republic
33. Malta	75. Venezuela	118. Cape Verde	160. Mali
34. Estonia	76. Armenia	119. India	161. Burkina Faso
35. Cyprus	77. Ecuador	120. East Timor	162. Liberia
36. Hungary	78. Belize	121. Swaziland	163. Chad
37. Brunei	79. Colombia	122. Laos	164. Guinea- Bissau
38. Qatar	80. Jamaica	123. Solomon Islands	165. Mozambique
39. Bahrain	81. Tunisia	124. Cambodia	166. Burundi
40. Portugal	82. Jordan	125. Pakistan	167. Niger
41. Poland	83. Turkey	126. Congo RC	168. Congo DRC
42. Barbados	84. Algeria	127. Sao Tome and Principe	169. Zimbabwo
	85. Tonga		

Methodology:

For more information about the methodology used to calculate the HDI, please see the "Source

Materials" in the appendices of this Country Review.

Reference:

As published in United Nations Development Programme's Human Development Report 2010.

Source:

United Nations Development Programme's <u>Human Development Index</u> available at URL: <u>http://hdr.undp.org/en/statistics/</u>

Updated:

Uploaded in 2011 using ranking available; reviewed in 2015

Life Satisfaction Index

Life Satisfaction Index

Life Satisfaction Index

Created by Adrian G. White, an Analytic Social Psychologist at the University of Leicester, the "Satisfaction with Life Index" measures subjective life satisfaction across various countries. The data was taken from a metastudy (see below for source) and associates the notion of subjective happiness or life satisfaction with qualitative parameters such as health, wealth, and access to basic education. This assessment serves as an alternative to other measures of happiness that tend to rely on traditional and quantitative measures of policy on quality of life, such as GNP and GDP. The methodology involved the responses of 80,000 people across the globe.

Rank	Country	Score
1	Denmark	273.4
2	Switzerland	273.33

3	Austria	260
4	Iceland	260
5	The Bahamas	256.67
6	Finland	256.67
7	Sweden	256.67
8	Iran	253.33
9	Brunei	253.33
10	Canada	253.33
11	Ireland	253.33
12	Luxembourg	253.33
13	Costa Rica	250
14	Malta	250
15	Netherlands	250
16	Antiguaand Barbuda	246.67
17	Malaysia	246.67
18	New Zealand	246.67
19	Norway	246.67
20	Seychelles	246.67

21	Saint Kitts and Nevis	246.67
22	United Arab Emirates	246.67
23	United States	246.67
24	Vanuatu	246.67
25	Venezuela	246.67
26	Australia	243.33
27	Barbados	243.33
28	Belgium	243.33
29	Dominica	243.33
30	Oman	243.33
31	Saudi Arabia	243.33
32	Suriname	243.33
33	Bahrain	240
34	Colombia	240
35	Germany	240
36	Guyana	240
37	Honduras	240
38	Kuwait	240

39	Panama	240
40	Saint Vincent and the Grenadines	240
41	United Kingdom	236.67
42	Dominican Republic	233.33
43	Guatemala	233.33
44	Jamaica	233.33
45	Qatar	233.33
46	Spain	233.33
47	Saint Lucia	233.33
48	Belize	230
49	Cyprus	230
50	Italy	230
51	Mexico	230
52	Samoa	230
53	Singapore	230
54	Solomon Islands	230
55	Trinidad and Tobago	230
56	Argentina	226.67

58 Israel 223.33 59 Mongolia 223.33 60 São Tomé and Príncipe 223.33 61 El Salvador 220 62 France 220 63 Hong Kong 220 64 Indonesia 220 65 Kyrgyzstan 220 66 Maldives 220 67 Slovenia 220 68 Taiwan 220 69 East Timor 220 70 Tonga 220 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	57	Fiji	223.33
60 São Tomé and Príncipe 223.33 61 El Salvador 220 62 France 220 63 Hong Kong 220 64 Indonesia 220 65 Kyrgyzstan 220 66 Maldives 220 67 Slovenia 220 68 Taiwan 220 69 East Timor 220 70 Tonga 220 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	58	Israel	223.33
61 El Salvador 220 62 France 220 63 Hong Kong 220 64 Indonesia 220 65 Kyrgyzstan 220 66 Maldives 220 67 Slovenia 220 68 Taiwan 220 69 East Timor 220 70 Tonga 220 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	59	Mongolia	223.33
62 France 220 63 Hong Kong 220 64 Indonesia 220 65 Kyrgyzstan 220 66 Maldives 220 67 Slovenia 220 68 Taiwan 220 69 East Timor 220 70 Tonga 220 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	60	São Tomé and Príncipe	223.33
63 Hong Kong 220 64 Indonesia 220 65 Kyrgyzstan 220 66 Maldives 220 67 Slovenia 220 68 Taiwan 220 69 East Timor 220 70 Tonga 220 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	61	El Salvador	220
64 Indonesia 220 65 Kyrgyzstan 220 66 Maldives 220 67 Slovenia 220 68 Taiwan 220 69 East Timor 220 70 Tonga 220 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	62	France	220
65Kyrgyzstan22066Maldives22067Slovenia22068Taiwan22069East Timor22070Tonga22071Chile216.6772Grenada216.6773Mauritius216.67	63	Hong Kong	220
66 Maldives 220 220 220 220 220 220 220 220 220 220 216.67 216.67	64	Indonesia	220
67 Slovenia 220 68 Taiwan 220 69 East Timor 220 70 Tonga 220 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	65	Kyrgyzstan	220
68 Taiwan 220 69 East Timor 220 70 Tonga 220 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	66	Maldives	220
69East Timor22070Tonga22071Chile216.6772Grenada216.6773Mauritius216.67	67	Slovenia	220
Tonga 220 70 Tonga 216.67 71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	68	Taiwan	220
71 Chile 216.67 72 Grenada 216.67 73 Mauritius 216.67	69	East Timor	220
72 Grenada 216.67 73 Mauritius 216.67	70	Tonga	220
73 Mauritius 216.67	71	Chile	216.67
	72	Grenada	216.67
74 Namibia 216.67	73	Mauritius	216.67
	74	Namibia	216.67

75	Paraguay	216.67
76	Thailand	216.67
77	Czech Republic	213.33
78	Philippines	213.33
79	Tunisia	213.33
80	Uzbekistan	213.33
81	Brazil	210
82	China	210
83	Cuba	210
84	Greece	210
85	Nicaragua	210
86	Papua New Guinea	210
87	Uruguay	210
88	Gabon	206.67
89	Ghana	206.67
90	Japan	206.67
91	Yemen	206.67
92	Portugal	203.33

93	Sri Lanka	203.33
94	Tajikistan	203.33
95	Vietnam	203.33
96	Bhutan	200
97	Comoros	196.67
98	Croatia	196.67
99	Poland	196.67
100	Cape Verde	193.33
101	Kazakhstan	193.33
102	South Korea	193.33
103	Madagascar	193.33
104	Bangladesh	190
105	Republic of the Congo	190
106	The Gambia	190
107	Hungary	190
108	Libya	190
109	South Africa	190
110	Cambodia	186.67

111	Ecuador	186.67
112	Kenya	186.67
113	Lebanon	186.67
114	Morocco	186.67
115	Peru	186.67
116	Senegal	186.67
117	Bolivia	183.33
118	Haiti	183.33
119	Nepal	183.33
120	Nigeria	183.33
121	Tanzania	183.33
122	Benin	180
123	Botswana	180
124	Guinea-Bissau	180
125	India	180
126	Laos	180
127	Mozambique	180
128	Palestinian Authority	180

130 131 132	Myanmar Mali Mauritania Turkey	176.67 176.67 176.67
	Mauritania	
132		176.67
	Turkey	
133		176.67
134	Algeria	173.33
135 Eo	quatorial Guinea	173.33
136	Romania	173.33
137 Bosn	ia and Herzegovina	170
138	Cameroon	170
139	Estonia	170
140	Guinea	170
141	Jordan	170
142	Syria	170
143	Sierra Leone	166.67
144	Azerbaijan	163.33
145 Centr	al African Republic	163.33
146 Repu	iblic of Macedonia	163.33

147	Togo	163.33
148	Zambia	163.33
149	Angola	160
150	Djibouti	160
151	Egypt	160
152	Burkina Faso	156.67
153	Ethiopia	156.67
154	Latvia	156.67
155	Lithuania	156.67
156	Uganda	156.67
157	Albania	153.33
158	Malawi	153.33
159	Chad	150
160	Côte d'Ivoire	150
161	Niger	150
162	Eritrea	146.67
163	Rwanda	146.67
164	Bulgaria	143.33

165	Lesotho	143.33
166	Pakistan	143.33
167	Russia	143.33
168	Swaziland	140
169	Georgia	136.67
170	Belarus	133.33
171	Turkmenistan	133.33
172	Armenia	123.33
173	Sudan	120
174	Ukraine	120
175	Moldova	116.67
176	Democratic Republic of the Congo	110
177	Zimbabwe	110
178	Burundi	100

Commentary:

European countries, such as <u>Denmark</u>, <u>Iceland</u>, <u>Finland</u>, <u>Sweden</u>, <u>Switzerland</u>, <u>Austria</u> resided at the top of the ranking with highest levels of self-reported life satisfaction. Conversely, European countries such as <u>Latvia</u>, <u>Lithuania</u>, <u>Moldova</u>, <u>Belarus</u> and <u>Ukraine</u> ranked low on the index. African countries such as Democratic Republic of Congo, <u>Zimbabwe</u> and <u>Burundi</u> found themselves at the very bottom of the ranking, and indeed, very few African countries could be

found in the top 100. Japan was at the mid-way point in the ranking, however, other Asian countries such as Brunei and Malaysia were in the top tier, while Pakistan was close to the bottom with a low level of self-identified life satisfaction. As a region, the Middle East presented a mixed bad with Saudi Arabians reporting healthy levels of life satisfaction and Egyptians near the bottom of the ranking. As a region, Caribbean countries were ranked highly, consistently demonstrating high levels of life satisfaction. The findings showed that health was the most crucial determining factor in life satisfaction, followed by prosperity and education.

Source:

White, A. (2007). A Global Projection of Subjective Well-being: A Challenge To Positive Psychology? Psychtalk 56, 17-20. The data was extracted from a meta-analysis by Marks, Abdallah, Simms & Thompson (2006).

Uploaded:

Based on study noted above in "Source"; reviewed in 2015

Happy Planet Index

Happy Planet Index

The Happy Planet Index (HPI) is used to measure human well-being in conjunction with environmental impact. The HPI has been compiled since 2006 by the New Economics Foundation. The index is a composite of several indicators including subjective life satisfaction, life expectancy at birth, and ecological footprint per capita.

As noted by NEFA, the HPI "reveals the ecological efficiency with which human well-being is delivered." Indeed, the index combines environmental impact with human well-being to measure the environmental efficiency with which, country by country, people live long and happy lives. The countries ranked highest by the HPI are not necessarily the ones with the happiest people overall, but the ones that allow their citizens to live long and fulfilling lives, without negatively impacting this opportunity for either future generations or citizens of other countries. Accordingly, a country like the <u>United States</u> will rank low on this list due to its large per capital ecological footprint, which uses more than its fair share of resources, and will likely cause planetary damage.

It should be noted that the HPI was designed to be a counterpoint to other well-established indices of countries' development, such as Gross Domestic Product (GDP), which measures overall national wealth and economic development, but often obfuscates the realities of countries with stark variances between the rich and the poor. Moreover, the objective of most of the world's people is not to be wealthy but to be happy. The HPI also differs from the <u>Human Development</u> Index (HDI), which measures quality of life but not ecology, since it [HPI] also includes sustainability as a key indicator.

Rank	Country	HPI
1	Costa Rica	76.1
2	Dominican Republic	71.8
3	Jamaica	70.1
4	Guatemala	68.4
5	Vietnam	66.5
6	Colombia	66.1
7	Cuba	65.7
8	El Salvador	61.5
9	Brazil	61.0
10	Honduras	61.0
11	Nicaragua	60.5
12	Egypt	60.3

13	Saudi Arabia	59.7
14	Philippines	59.0
15	Argentina	59.0
16	Indonesia	58.9
17	Bhutan	58.5
18	Panama	57.4
19	Laos	57.3
20	China	57.1
21	Morocco	56.8
22	Sri Lanka	56.5
23	Mexico	55.6
24	Pakistan	55.6
25	Ecuador	55.5
26	Jordan	54.6
27	Belize	54.5
28	Peru	54.4
29	Tunisia	54.3
30	Trinidad and Tobago	54.2

31	Bangladesh	54.1
32	Moldova	54.1
33	Malaysia	54.0
34	Tajikistan	53.5
35	India	53.0
36	Venezuela	52.5
37	Nepal	51.9
38	Syria	51.3
39	Burma	51.2
40	Algeria	51.2
41	Thailand	50.9
42	Haiti	50.8
43	Netherlands	50.6
44	Malta	50.4
45	Uzbekistan	50.1
46	Chile	49.7
47	Bolivia	49.3
48	Armenia	48.3

49	Singapore	48.2
50	Yemen	48.1
51	Germany	48.1
52	Switzerland	48.1
53	Sweden	48.0
54	Albania	47.9
55	Paraguay	47.8
56	Palestinian Authority	47.7
57	Austria	47.7
58	Serbia	47.6
59	Finland	47.2
60	Croatia	47.2
61	Kyrgyzstan	47.1
62	Cyprus	46.2
63	Guyana	45.6
64	Belgium	45.4
65	Bosnia and Herzegovina	45.0
66	Slovenia	44.5

67	Israel	44.5
68	South Korea	44.4
69	Italy	44.0
70	Romania	43.9
71	France	43.9
72	Georgia	43.6
73	Slovakia	43.5
74	United Kingdom	43.3
75	Japan	43.3
76	Spain	43.2
77	Poland	42.8
78	Ireland	42.6
79	Iraq	42.6
80	Cambodia	42.3
81	Iran	42.1
82	Bulgaria	42.0
83	Turkey	41.7
84	Hong Kong	41.6

86 Lithuania 40.9 87 Djibouti 40.4 88 Norway 40.4 89 Canada 39.4 90 Hungary 38.9 91 Kazakhstan 38.5 92 Czech Republic 38.3 93 Mauritania 38.2 94 Iceland 38.1 95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.2 100 Ghana 37.1 101 Latvia 36.7	85	Azerbaijan	41.2
88 Norway 40.4 89 Canada 39.4 90 Hungary 38.9 91 Kazakhstan 38.5 92 Czech Republic 38.3 93 Mauritania 38.2 94 Iceland 38.1 95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.2 100 Ghana 37.1 101 Latvia 36.7	86	Lithuania	40.9
89 Canada 39.4 90 Hungary 38.9 91 Kazakhstan 38.5 92 Czech Republic 38.3 93 Mauritania 38.2 94 Iceland 38.1 95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	87	Djibouti	40.4
90 Hungary 38.9 91 Kazakhstan 38.5 92 Czech Republic 38.3 93 Mauritania 38.2 94 Iceland 38.1 95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	88	Norway	40.4
91 Kazakhstan 38.5 92 Czech Republic 38.3 93 Mauritania 38.2 94 Iceland 38.1 95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	89	Canada	39.4
92 Czech Republic 38.3 93 Mauritania 38.2 94 Iceland 38.1 95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.2 100 Ghana 37.1 101 Latvia 36.7	90	Hungary	38.9
93 Mauritania 38.2 94 Iceland 38.1 95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	91	Kazakhstan	38.5
94 Iceland 38.1 95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	92	Czech Republic	38.3
95 Ukraine 38.1 96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	93	Mauritania	38.2
96 Senegal 38.0 97 Greece 37.6 98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	94	Iceland	38.1
97 Greece 37.6 98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	95	Ukraine	38.1
98 Portugal 37.5 99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	96	Senegal	38.0
99 Uruguay 37.2 100 Ghana 37.1 101 Latvia 36.7	97	Greece	37.6
100 Ghana 37.1 101 Latvia 36.7	98	Portugal	37.5
101 Latvia 36.7	99	Uruguay	37.2
	100	Ghana	37.1
102 Australia 36.6	101	Latvia	36.7
	102	Australia	36.6

103	New Zealand	36.2
104	Belarus	35.7
105	Denmark	35.5
106	Mongolia	35.0
107	Malawi	34.5
108	Russia	34.5
109	Chad	34.3
110	Lebanon	33.6
111	Macedonia	32.7
112	Republic of the Congo	32.4
113	Madagascar	31.5
114	United States	30.7
115	Nigeria	30.3
116	Guinea	30.3
117	Uganda	30.2
118	South Africa	29.7
119	Rwanda	29.6
120	Democratic Republic of the Congo	29.0

121	Sudan	28.5
122	Luxembourg	28.5
123	United Arab Emirates	28.2
124	Ethiopia	28.1
125	Kenya	27.8
126	Cameroon	27.2
127	Zambia	27.2
128	Kuwait	27.0
129	Niger	26.9
130	Angola	26.8
131	Estonia	26.4
132	Mali	25.8
133	Mozambique	24.6
134	Benin	24.6
135	Togo	23.3
136	Sierra Leone	23.1
137	Central African Republic	22.9
138	Burkina Faso	22.4

139	Burundi	21.8
140	Namibia	21.1
141	Botswana	20.9
142	Tanzania	17.8
143	Zimbabwe	16.6

Source: This material is derived from the Happy Planet Index issued by the New Economics Foundation (NEF).

Methodology: The methodology for the calculations can be found at URL: <u>http://www.happyplanetindex.org/</u>

Status of Women

Gender Related Development Index (GDI) Rank:

Not Ranked

Gender Empowerment Measure (GEM) Rank:

Not Ranked

Female Population:

43,000

Female Life Expectancy at birth:

slightly less than 73 years

Total Fertility Rate:

3.2

Maternal Mortality Ratio (2000):

N/A

Total Number of Women Living with HIV/AIDS:

N/A

Ever Married Women, Ages 15-19 (%):

10%

Mean Age at Time of Marriage:

N/A

Contraceptive Use Among Married Women, Any Method (%):

N/A

Female Adult Literacy Rate:

88%

Combined Female Gross enrollment ratio for Primary, Secondary and Tertiary schools:

N/A

Female-Headed Households (%):

N/A

Economically Active Females (%):

N/A

Female Contributing Family Workers (%):

N/A

Female Estimated Earned Income:

N/A

Seats in Parliament held by women (%):

Lower or Single House: N/A

Upper House or Senate: N/A

Year Women Received the Right to Vote:

1979

Year Women Received the Right to Stand for Election:

N/A

*The Gender Development Index (GDI) is a composite index which measures the average achievement in a country. While very similar to the Human Development Index in its use of the same variables, the GDI adjusts the average achievement of each country in terms of life expectancy, enrollment in schools, income, and literacy in accordance to the disparities between males and females.

*The Gender Empowerment Measure (GEM) is a composite index measuring gender inequality in three of the basic dimensions of empowerment; economic participation and decision-making, political participation and decision-making, and power over economic resources.

*Total Fertility Rate (TFR) is defined as the average number of babies born to women during their reproductive years. A TFR of 2.1 is considered the replacement rate; once a TFR of a population reaches 2.1 the population will remain stable assuming no immigration or emigration takes place. When the TFR is greater than 2.1 a population will increase and when it is less than 2.1 a population will eventually decrease, although due to the age structure of a population it will take years before a low TFR is translated into lower population.

*Maternal Mortality Rate is the number of deaths to women per 100,000 live births that resulted from conditions related to pregnancy and or delivery related complications.

*Economically Active Females are the share of the female population, ages 15 and above, whom supply, or are able to supply, labor for the production of goods and services.

*Female Contributing Family Workers are those females who work without pay in an economic enterprise operated by a relative living in the same household.

*Estimated Earned Income is measured according to Purchasing Power Parity (PPP) in US dollars.

Global Gender Gap Index

Global Gender Gap Index

Editor's Note:

The Global Gender Gap Index by the World Economic Forum ranks most of the world's countries in terms of the division of resources and opportunities among males and females. Specifically, the ranking assesses the gender inequality gap in these four arenas:

1. Economic participation and opportunity (salaries and high skilled employment participation levels)

- 2. Educational attainment (access to basic and higher level education)
- 3. Political empowerment (representation in decision-making structures)
- 4. Health and survival (life expectancy and sex ratio)

	2010 rank	2010 score	2010 rank among 2009 countries	2009 rank	2009 score	2008 rank	2008 score	2007 rank
Country								
Iceland	1	0.8496	1	1	0.8276	4	0.7999	4

Norway	2	0.8404	2	3	0.8227	1	0.8239	2
Finland	3	0.8260	3	2	0.8252	2	0.8195	3
Sweden	4	0.8024	4	4	0.8139	3	0.8139	1
New Zealand	5	0.7808	5	5	0.7880	5	0.7859	5
Ireland	6	0.7773	6	8	0.7597	8	0.7518	9
Denmark	7	0.7719	7	7	0.7628	7	0.7538	8
Lesotho	8	0.7678	8	10	0.7495	16	0.7320	26
Philippines	9	0.7654	9	9	0.7579	6	0.7568	6
Switzerland	10	0.7562	10	13	0.7426	14	0.7360	40
Spain	11	0.7554	11	17	0.7345	17	0.7281	10
South Africa	12	0.7535	12	6	0.7709	22	0.7232	20
Germany	13	0.7530	13	12	0.7449	11	0.7394	7
Belgium	14	0.7509	14	33	0.7165	28	0.7163	19
United Kingdom	15	0.7460	15	15	0.7402	13	0.7366	11
Sri Lanka	16	0.7458	16	16	0.7402	12	0.7371	15
Netherlands	17	0.7444	17	11	0.7490	9	0.7399	12
Latvia	18	0.7429	18	14	0.7416	10	0.7397	13

United States	19	0.7411	19	31	0.7173	27	0.7179	31
Canada	20	0.7372	20	25	0.7196	31	0.7136	18
Trinidad and Tobago	21	0.7353	21	19	0.7298	19	0.7245	46
Mozambique	22	0.7329	22	26	0.7195	18	0.7266	43
Australia	23	0.7271	23	20	0.7282	21	0.7241	17
Cuba	24	0.7253	24	29	0.7176	25	0.7195	22
Namibia	25	0.7238	25	32	0.7167	30	0.7141	29
Luxembourg	26	0.7231	26	63	0.6889	66	0.6802	58
Mongolia	27	0.7194	27	22	0.7221	40	0.7049	62
Costa Rica	28	0.7194	28	27	0.7180	32	0.7111	28
Argentina	29	0.7187	29	24	0.7211	24	0.7209	33
Nicaragua	30	0.7176	30	49	0.7002	71	0.6747	90
Barbados	31	0.7176	31	21	0.7236	26	0.7188	n/a
Portugal	32	0.7171	32	46	0.7013	39	0.7051	37
Uganda	33	0.7169	33	40	0.7067	43	0.6981	50
Moldova	34	0.7160	34	36	0.7104	20	0.7244	21
Lithuania	35	0.7132	35	30	0.7175	23	0.7222	14

Bahamas	36	0.7128	36	28	0.7179	n/a	n/a	n/a
Austria	37	0.7091	37	42	0.7031	29	0.7153	27
Guyana	38	0.7090	38	35	0.7108	n/a	n/a	n/a
Panama	39	0.7072	39	43	0.7024	34	0.7095	38
Ecuador	40	0.7072	40	23	0.7220	35	0.7091	44
Kazakhstan	41	0.7055	41	47	0.7013	45	0.6976	32
Slovenia	42	0.7047	42	52	0.6982	51	0.6937	49
Poland	43	0.7037	43	50	0.6998	49	0.6951	60
Jamaica	44	0.7037	44	48	0.7013	44	0.6980	39
Russian Federation	45	0.7036	45	51	0.6987	42	0.6994	45
France	46	0.7025	46	18	0.7331	15	0.7341	51
Estonia	47	0.7018	47	37	0.7094	37	0.7076	30
Chile	48	0.7013	48	64	0.6884	65	0.6818	86
Macedonia, FYR	49	0.6996	49	53	0.6950	53	0.6914	35
Bulgaria	50	0.6983	50	38	0.7072	36	0.7077	25
Kyrgyz Republic	51	0.6973	51	41	0.7058	41	0.7045	70
Israel	52	0.6957	52	45	0.7019	56	0.6900	36

Croatia	53	0.6939	53	54	0.6944	46	0.6967	16
Honduras	54	0.6927	54	62	0.6893	47	0.6960	68
Colombia	55	0.6927	55	56	0.6939	50	0.6944	24
Singapore	56	0.6914	56	84	0.6664	84	0.6625	77
Thailand	57	0.6910	57	59	0.6907	52	0.6917	52
Greece	58	0.6908	58	85	0.6662	75	0.6727	72
Uruguay	59	0.6897	59	57	0.6936	54	0.6907	78
Peru	60	0.6895	60	44	0.7024	48	0.6959	75
China	61	0.6881	61	60	0.6907	57	0.6878	73
Botswana	62	0.6876	62	39	0.7071	63	0.6839	53
Ukraine	63	0.6869	63	61	0.6896	62	0.6856	57
Venezuela	64	0.6863	64	69	0.6839	59	0.6875	55
Czech Republic	65	0.6850	65	74	0.6789	69	0.6770	64
Tanzania	66	0.6829	66	73	0.6797	38	0.7068	34
Romania	67	0.6826	67	70	0.6805	70	0.6763	47
Malawi	68	0.6824	68	76	0.6738	81	0.6664	87
Paraguay	69	0.6804	69	66	0.6868	100	0.6379	69
Ghana	70	0.6782	70	80	0.6704	77	0.6679	63

Slovak Republic	71	0.6778	71	68	0.6845	64	0.6824	54
Vietnam	72	0.6776	72	71	0.6802	68	0.6778	42
Dominican Republic	73	0.6774	73	67	0.6859	72	0.6744	65
Italy	74	0.6765	74	72	0.6798	67	0.6788	84
Gambia, The	75	0.6762	75	75	0.6752	85	0.6622	95
Bolivia	76	0.6751	76	82	0.6693	80	0.6667	80
Brueni Darussalem	77	0.6748	77	94	0.6524	99	0.6392	n/a
Albania	78	0.6726	78	91	0.6601	87	0.6591	66
Hungary	79	0.6720	79	65	0.6879	60	0.6867	61
Madagascar	80	0.6713	80	77	0.6732	74	0.6736	89
Angola	81	0.6712	81	106	0.6353	114	0.6032	110
Bangladesh	82	0.6702	82	93	0.6526	90	0.6531	100
Malta	83	0.6695	83	88	0.6635	83	0.6634	76
Armenia	84	0.6669	84	90	0.6619	78	0.6677	71
Brazil	85	0.6655	85	81	0.6695	73	0.6737	74
Cyprus	86	0.6642	86	79	0.6706	76	0.6694	82

Indonesia	87	0.6615	87	92	0.6580	93	0.6473	81
Georgia	88	0.6598	88	83	0.6680	82	0.6654	67
Tajikistan	89	0.6598	89	86	0.6661	89	0.6541	79
El Salvador	90	0.6596	90	55	0.6939	58	0.6875	48
Mexico	91	0.6577	91	98	0.6503	97	0.6441	93
Zimbabwe	92	0.6574	92	95	0.6518	92	0.6485	88
Belize	93	0.6536	93	87	0.6636	86	0.6610	94
Japan	94	0.6524	94	101	0.6447	98	0.6434	91
Mauritius	95	0.6520	95	96	0.6513	95	0.6466	85
Kenya	96	0.6499	96	97	0.6512	88	0.6547	83
Cambodia	97	0.6482	97	104	0.6410	94	0.6469	98
Malaysia	98	0.6479	98	100	0.6467	96	0.6442	92
Maldives	99	0.6452	99	99	0.6482	91	0.6501	99
Azerbaijan	100	0.6446	100	89	0.6626	61	0.6856	59
Senegal	101	0.6414	101	102	0.6427	n/a	n/a	n/a
Suriname	102	0.6407	102	78	0.6726	79	0.6674	56
United Arab Emirates	103	0.6397	103	112	0.6198	105	0.6220	105
Korea, Rep.	104	0.6342	104	115	0.6146	108	0.6154	97

Kuwait	105	0.6318	105	105	0.6356	101	0.6358	96
Zambia	106	0.6293	106	107	0.6310	106	0.6205	101
Tunisia	107	0.6266	107	109	0.6233	103	0.6295	102
Fiji	108	0.6256	108	103	0.6414	n/a	n/a	n/a
Guatemala	109	0.6238	109	111	0.6209	112	0.6072	106
Bahrain	110	0.6217	110	116	0.6136	121	0.5927	115
Burkina Faso	111	0.6162	111	120	0.6081	115	0.6029	117
India	112	0.6155	112	114	0.6151	113	0.6060	114
Mauritania	113	0.6152	113	119	0.6103	110	0.6117	111
Cameroon	114	0.6110	114	118	0.6108	117	0.6017	116
Nepal	115	0.6084	115	110	0.6213	120	0.5942	125
Lebanon*	116	0.6084	n/a	n/a	n/a	n/a	n/a	n/a
Qatar	117	0.6059	116	125	0.5907	119	0.5948	109
Nigeria	118	0.6055	117	108	0.6280	102	0.6339	107
Algeria	119	0.6052	118	117	0.6119	111	0.6111	108
Jordan	120	0.6048	119	113	0.6182	104	0.6275	104
Ethiopia	121	0.6019	120	122	0.5948	122	0.5867	113
Oman	122	0.5950	121	123	0.5938	118	<u>0.5960</u>	119

Iran	123	0.5933	122	128	0.5839	116	0.6021	118
Syria	124	0.5926	123	121	0.6072	107	0.6181	103
Egypt	125	0.5899	124	126	0.5862	124	0.5832	120
Turkey	126	0.5876	125	129	0.5828	123	0.5853	121
Morocco	127	0.5767	126	124	0.5926	125	0.5757	122
Benin	128	0.5719	127	131	0.5643	126	0.5582	123
Saudi Arabia	129	0.5713	128	130	0.5651	128	0.5537	124
Côte d'Ivoire*	130	0.5691	n/a	n/a	n/a	n/a	n/a	n/a
Mali	131	0.5680	129	127	0.5860	109	0.6117	112
Pakistan	132	0.5465	130	132	0.5458	127	0.5549	120
Chad	133	0.5330	131	133	0.5417	129	0.5290	12
Yemen	134	0.4603	132	134	0.4609	130	0.4664	128
Belarus	n/a	n/a	n/a	34	0.7141	33	0.7099	23
Uzbekistan	n/a	n/a	n/a	58	0.6913	55	0.6906	41

*new country 2010

Commentary:

According to the report's index, Nordic countries, such as Iceland, Norway, Finland, and Sweden have continued to dominate at the top of the ranking for gender equality. Meanwhile, France has seen a notable decline in the ranking, largely as a result of decreased number of women holding ministerial portfolios in that country. In the Americas, the United States has risen in the ranking to top the region, predominantly as a result of a decreasing wage gap, as well as higher number of women holding key positions in the current Obama administration. Canada has continued to remain as one of the top ranking countries of the Americas, followed by the small Caribbean island nation of Trinidad and Tobago, which has the distinction of being among the top three countries of the Americans in the realm of gender equality. Lesotho and South African ranked highly in the index, leading not only among African countries but also in global context. Despite Lesotho still lagging in the area of life expectancy, its high ranking was attributed to high levels of female participation in the labor force and female literacy. The **<u>Philippines</u>** and <u>Sri Lanka</u> were the top ranking countries for gender equality for Asia, ranking highly also in global context. The <u>Philippines</u> has continued to show strong performance in all strong performance on all four dimensions (detailed above) of the index. Finally, in the Arab world, the United Arab Emirates held the highest-rank within that region of the world; however, its placement near the bottom of the global list highlights the fact that Arab countries are generally poor performers when it comes to the matter of gender equality in global scope.

Source:

This data is derived from the latest edition of The Global Gender Gap Report by the World Economic Forum.

Available at URL:

http://www.weforum.org/en/Communities/Women%20Leaders%20and%20Gender%20Parity/Gende

Updated:

Based on latest available data as set forth in chart; reviewed in 2014

Culture and Arts

Cultural Notes:

Pacific societies have always been stratified, and despite increasing Westernization and the introduction of a developed economy, social status and kinship still characterize this culture. Tribal chiefs hold authority over all aspects of life, including land ownership and usage.

Due to its location, oceanic navigation has been part of the cultural legacy in this region. Charts made of strips of wood and shells represent the islands and atolls in the region, roughly equivalent to Westernized maps and charts. Although today, most people in the region cannot read these maps and charts, they are very popular cultural artifacts. Canoe building is another such cultural legacy, making the canoe a cultural artifact as well. These vessels include 30-meter long crafts that hold over 40 people, as well as small and fast fishing vessels, not to mention those fitted with sails.

Traditional dancing is part of the Micronesian culture, (especially Yap Island, which is least Westernized), and sometimes includes chanting. Most dancing takes place in private settings although some may be experienced via touristic events and performances.

Etiquette

Cultural Dos and Taboos

Traditions and customs will very from island to island, but here are some general rules to follow as a whole:

- 1. Always ask permission before taking pictures of locals.
- 2. Modest dress for women requires that clothing cover the thighs.
- 3. Swimwear should only be worn at the beach or pool.
- 4. One may be asked to remove one's shoes before entering a house.

5. Village elders are always shown respect.

Travel Information

<u>Please Note</u>

This is a generalized travel guide and it is intended to coalesce several resources, which a traveler might find useful, regardless of a particular destination. As such, it does not include travel warnings for specific "hot spot" destinations.

For travel alerts and warnings, please see the United States Department of State's listings available at URL: http://travel.state.gov/content/passports/english/alertswarnings.html

Please note that travel to the following countries, based on these warnings, is ill-advised, or should be undertaken with the utmost precaution:

Afghanistan, Algeria, Burundi, Cameroon, Central African Republic, Chad, Colombia, Democratic Republic of Congo, Djibouti, El Salvador, Eritrea, Ethiopia, Guinea, Honduras, Iraq, Iran, Lebanon, Liberia, Libya, Mali, Mauritania, Mexico, Nepal, Niger, Nigeria, North Korea, Pakistan, Palestinian Territories of West Bank and Gaza, Philippines areas of Sulu Archipelago, Mindanao, and southern Sulu Sea, Saudi Arabia, Sierra Leone, Somalia, South Sudan, Sudan, Syria, Ukraine, Venezuela, and Yemen.

International Travel Guide

Checklist for Travelers

1. Take out travel insurance to cover hospital treatment or medical evacuation. Overseas medical costs are expensive to most international travelers, where one's domestic, nationalized or even private health insurance plans will not provide coverage outside one's home country. Learn about "reciprocal insurance plans" that some international health care companies might offer.

2. Make sure that one's travel insurance is appropriate. If one intends to indulge in adventurous activities, such as parasailing, one should be sure that one is fully insured in such cases. Many traditional insurance policies do not provide coverage in cases of extreme circumstances.

3. Take time to learn about one's destination country and culture. Read and learn about the place one is traveling. Also check political, economic and socio-cultural developments at the destination by reading country-specific travel reports and fact sheets noted below.

4. Get the necessary visas for the country (or countries) one intends to visit - but be aware that a visa does not guarantee entry. A number of useful sites regarding visa and other entry requirements are noted below.

5. Keep in regular contact with friends and relatives back at home by phone or email, and be sure to leave a travel itinerary.

6. Protect one's personal information by making copies of one's passport details, insurance policy, travelers checks and credit card numbers. Taking copies of such documents with you, while leaving another collection copies with someone at home is also good practice for travelers. Taking copies of one's passport photograph is also recommended.

7. Stay healthy by taking all possible precautions against illness. Also, be sure to take extra supplies of prescription drugs along for the trip, while also taking time to pack general pharmaceutical supplies, such as aspirin and other such painkillers, bandages, stomach ailment medication, anti-inflammatory medication and anti-bacterial medication.

8. Do not carry illicit drugs. Understand that the punishment for possession or use of illegal drugs in some countries may be capital punishment. Make sure your prescription drugs are legal in the countries you plan to visit.

9. Know the laws of one's destination country and culture; be sure to understand the repercussions of breaking those laws and regulations. Often the transparency and freedoms of the juridical system at home is not consistent with that of one's destination country. Become aware of these complexities and subtleties before you travel.

10. For longer stays in a country, or where the security situation is volatile, one should register one's self and traveling companions at the local embassy or consulate of one's country of citizenship.

11. Women should take care to be prepared both culturally and practically for traveling in a different country and culture. One should be sure to take sufficient supplies of personal feminine products and prescription drugs. One should also learn about local cultural standards for women, including norms of dressing. Be aware that it is simply inappropriate and unsafe for women to travel alone in some countries, and take the necessary precautions to avoid risk-filled situations.

12. If one is traveling with small children, one should pack extra supplies, make arrangements with the travel carrier for proper seating that would adequately accommodate children, infants or toddlers. Note also that whether one is male of female, traveling with children means that one's hands are thus not free to carry luggage and bags. Be especially aware that this makes one vulnerable to pickpockets, thieves and other sorts of crime.

13. Make proper arrangements for accommodations, well in advance of one's arrival at a destination. Some countries have limited accommodation, while others may have culturally

distinctive facilities. Learning about these practicalities before one travels will greatly aid the enjoyment of one's trip.

14. Travel with different forms of currency and money (cash, traveler's checks and credit cards) in anticipation that venues may not accept one or another form of money. Also, ensuring that one's financial resources are not contained in one location, or by one person (if one is traveling with others) can be a useful measure, in the event that one loses a wallet or purse.

15. Find out about transportation in the destination country. In some places, it might be advisable to hire a local driver or taxi guide for safety reasons, while in other countries, enjoying one's travel experience may well be enhanced by renting a vehicle and seeing the local sights and culture independently. Costs may also be prohibitive for either of these choices, so again, prior planning is suggested.

Tips for Travelers

Proof of citizenship, sufficient funds, and onward/return ticket are required for tourist visits up to 30 days. Visits are extendible for up to 60 days total from the initial entry; this extension is sought after arrival in Micronesia. An entry permit may be needed for types of travel other than tourism); the necessary forms may be obtained from the airlines. There is a departure fee of five U.S. dollars. A health certificate may be required if the traveler is arriving from infected area. For more information about entry requirements of the Federated States of Micronesia, travelers may consult the Embassy of the Federated States of Micronesia.

Health care facilities in the FSM consist of hospitals on each of the four major islands and a few scattered clinics. These facilities sometimes lack basic supplies and medicines, and the quality of health care is variable. Doctors and hospitals may expect immediate cash payment for health services. Supplemental medical insurance with specific coverage for overseas treatment and medical evacuation may prove useful. Medical evacuation can be very expensive for non-ambulatory patients.

The overall crime rate in the FSM is low, but there have been incidents where foreigners have been subject to, and possibly singled out for, verbal and physical abuse. The loss or theft abroad of a passport should be reported immediately to the local police, and to the nearest appropriate embassy or consulate.

While in a foreign country, you are subject to that country's laws and regulations. Persons violating the law, even unknowingly, may be expelled, arrested or imprisoned. Penalties for possession, use, or trafficking in illegal drugs are strict and convicted offenders can expect jail sentences and a fine. Prison conditions in the FSM meet minimal international standards. Legal procedures provide for due process.

Traffic, particularly in the state capitals, is increasing, and is a problem particularly during the hours at the beginning and end of the workday. Most roads are narrow and without sidewalks, creating a hazard for both drivers and pedestrians. Driving skills vary; drivers often make turns or stop to pick up pedestrians without warning. Roads outside the towns are often unpaved, and are used by pedestrians, playing children, animals and drivers alike.

<u>Note</u>: This information is directly quoted from the United States Department of State Consular Information Sheet.

Sources: United States Department of State Consular Information Sheet

Business Culture: Information for Business Travelers

For general information on etiquette in Micronesia see our Cultural Etiquette page.

Online Resources Regarding Entry Requirements and Visas

Foreign Entry Requirements for Americans from the United States Department of State <u>http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html</u>

Visa Services for Non-Americans from the United States Department of State <u>http://travel.state.gov/visa/visa_1750.html</u>

Visa Bulletins from the United States Department of State <u>http://travel.state.gov/visa/frvi/bulletin/bulletin_1360.html</u>

Visa Waivers from the United States Department of State http://travel.state.gov/visa/temp/without/without_1990.html - new

Passport and Visa Information from the Government of the United Kingdom http://www.bia.homeoffice.gov.uk/

Visa Information from the Government of Australia <u>http://www.dfat.gov.au/visas/index.html</u>

Passport Information from the Government of Australia https://www.passports.gov.au/Web/index.aspx Passport Information from the Government of Canada http://www.voyage.gc.ca/preparation_information/passport_passeport-eng.asp

Visa Information from the Government of Canada http://www.voyage.gc.ca/preparation_information/visas-eng.asp

Online Visa Processing by Immigration Experts by VisaPro http://www.visapro.com

Sources: United States Department of State, United Kingdom Foreign and Commonwealth Office, Government of Australia: Department of Foreign Affairs and Trade, Government of Canada Department of Foreign Affairs and International Trade

Useful Online Resources for Travelers

Country-Specific Travel Information from United States <u>http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html</u>

Travel Advice by Country from Government of United Kingdom http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/

General Travel Advice from Government of Australia http://www.smartraveller.gov.au/zw-cgi/view/Advice/General

Travel Bulletins from the Government of Australia http://www.smartraveller.gov.au/zw-cgi/view/TravelBulletins/

Travel Tips from Government of Australia http://www.smartraveller.gov.au/tips/index.html

Travel Checklist by Government of Canada http://www.voyage.gc.ca/preparation_information/checklist_sommaire-eng.asp

Travel Checklist from Government of United Kingdom http://www.fco.gov.uk/en/travelling-and-living-overseas/staying-safe/checklist

Your trip abroad from United States Department of State http://travel.state.gov/travel/tips/brochures/brochures_1225.html

A safe trip abroad from United States Department of State

http://travel.state.gov/travel/tips/safety/safety_1747.html

Tips for expatriates abroad from United States Department of State <u>http://travel.state.gov/travel/living/residing_1235.html</u>

Tips for students from United States Department of State <u>http://travel.state.gov/travel/living/studying_1238.html http://travel.state.gov/travel/tips/brocl</u>

Medical information for travelers from United States Department of State <u>http://travel.state.gov/travel/tips/health/health_1185.html</u>

US Customs Travel information http://www.customs.gov/xp/cgov/travel/

Sources: United States Department of State; United States Customs Department, United Kingdom Foreign and Commonwealth Office, Foreign and Commonwealth Office, Government of Australia; Government of Canada: Department of Foreign Affairs and International Trade

Other Practical Online Resources for Travelers

Foreign Language Phrases for Travelers http://www.travlang.com/languages/ http://www.omniglot.com/language/phrases/index.htm

World Weather Forecasts http://www.intellicast.com/ http://www.wunderground.com/ http://www.worldweather.org/

Worldwide Time Zones, Map, World Clock http://www.timeanddate.com/ http://www.worldtimezone.com/

International Airport Codes http://www.world-airport-codes.com/

International Dialing Codes http://www.kropla.com/dialcode.htm http://www.countrycallingcodes.com/ International Phone Guide http://www.kropla.com/phones.htm

International Mobile Phone Guide http://www.kropla.com/mobilephones.htm

International Internet Café Search Engine <u>http://cybercaptive.com/</u>

Global Internet Roaming http://www.kropla.com/roaming.htm

World Electric Power Guide http://www.kropla.com/electric.htm http://www.kropla.com/electric2.htm

World Television Standards and Codes http://www.kropla.com/tv.htm International Currency Exchange Rates http://www.xe.com/ucc/

Banking and Financial Institutions Across the World http://www.123world.com/banks/index.html

International Credit Card or Automated Teller Machine (ATM) Locator <u>http://visa.via.infonow.net/locator/global/</u> <u>http://www.mastercard.com/us/personal/en/cardholderservices/atmlocations/index.html</u>

International Chambers of Commerce http://www.123world.com/chambers/index.html

World Tourism Websites http://123world.com/tourism/

Diplomatic and Consular Information

United States Diplomatic Posts Around the World http://www.usembassy.gov/

United Kingdom Diplomatic Posts Around the World

http://www.fco.gov.uk/en/about-the-fco/embassies-and-posts/find-an-embassy-overseas/

Australia's Diplomatic Posts Around the World http://www.dfat.gov.au/missions/ http://www.dfat.gov.au/embassies.html

Canada's Embassies and High Commissions http://www.international.gc.ca/ciw-cdm/embassies-ambassades.aspx

Resources for Finding Embassies and other Diplomatic Posts Across the World http://www.escapeartist.com/embassy1/embassy1.htm

Safety and Security

Travel Warnings by Country from Government of Australia <u>http://www.smartraveller.gov.au/zw-cgi/view/Advice/</u>

Travel Warnings and Alerts from United States Department of State <u>http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html</u> <u>http://travel.state.gov/travel/cis_pa_tw/pa/pa_1766.html</u>

Travel Reports and Warnings by Government of Canada http://www.voyage.gc.ca/countries_pays/menu-eng.asp http://www.voyage.gc.ca/countries_pays/updates_mise-a-jour-eng.asp

Travel Warnings from Government of United Kingdom http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/ http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/? action=noTravelAll#noTravelAll

Sources: United Kingdom Foreign and Commonwealth Office, the United States Department of State, the Government of Canada: Department of Foreign Affairs and International Trade, Government of Australia: Department of Foreign Affairs and Trade

Other Safety and Security Online Resources for Travelers

United States Department of State Information on Terrorism <u>http://www.state.gov/s/ct/</u>

Government of the United Kingdom Resource on the Risk of Terrorism

http://www.fco.gov.uk/servlet/Front? pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1044011304926

Government of Canada Terrorism Guide http://www.international.gc.ca/crime/terrorism-terrorisme.aspx?lang=eng

Information on Terrorism by Government of Australia <u>http://www.dfat.gov.au/icat/index.html</u>

FAA Resource on Aviation Safety <u>http://www.faasafety.gov/</u>

In-Flight Safety Information for Air Travel (by British Airways crew trainer, Anna Warman) http://www.warman.demon.co.uk/anna/inflight.html

Hot Spots: Travel Safety and Risk Information http://www.airsecurity.com/hotspots/HotSpots.asp

Information on Human Rights <u>http://www.state.gov/g/drl/hr/</u>

Sources: The United States Department of State, the United States Customs Department, the Government of Canada, the Government of United Kingdom, the Government of Australia, the Federal Aviation Authority, Anna Warman's In-flight Website, Hot Spots Travel and Risk Information

Diseases/Health Data

Please Note: Most of the entry below constitutes a generalized health advisory, which a traveler might find useful, regardless of a particular destination.

As a supplement, however, the reader will also find below a list of countries flagged with current health notices and alerts issued by the Centers for Disease Control and Prevention (CDC). Please note that travel to the following countries, based on these 3 levels of warnings, is ill-advised, or should be undertaken with the utmost precaution:

Level 3 (highest level of concern; avoid non-essential travel) --

Guinea - Ebola Liberia - Ebola Nepal - Eathquake zone Sierra Leone - Ebola

Level 2 (intermediate level of concern; use utmost caution during travel) --

Cameroon - Polio Somalia - Polio Vanuatu - Tropical Cyclone zone Throughout Middle East and Arabia Peninsula - MERS ((Middle East Respiratory Syndrome)

Level 1 (standard level of concern; use practical caution during travel) -

Australia - Ross River disease **Bosnia-Herzegovina - Measles Brazil - Dengue Fever** Brazil - Malaria Brazil - Zika China - H7N9 Avian flu Cuba - Cholera Egypt - H5N1 Bird flu **Ethiopia - Measles Germany - Measles** Japan - Hand, foot, and mouth disease (HFMD) **Kyrgyzstan - Measles Malaysia** -Dengue Fever Mexico - Chikungunya **Mexico - Hepatitis A** Nigeria - Meningitis **Philippines - Measles Scotland - Mumps**

Singapore - Hand, foot, and mouth disease (HFMD) South Korea - MERS ((Middle East Respiratory Syndrome) Throughout Caribbean - Chikungunya Throughout Central America - Chikungunya Throughout South America - Chikungunya Throughout Pacific Islands - Chikungunya

For specific information related to these health notices and alerts please see the CDC's listing available at URL: http://wwwnc.cdc.gov/travel/notices

Health Information for Travelers to Micronesia

The preventive measures you need to take while traveling in this region depend on the areas you visit and the length of time you stay. You should observe the precautions listed in this document in most areas of this region. However, in highly developed areas of Australia and New Zealand, you should observe health precautions similar to those that would apply while traveling in the United States.

Travelers' diarrhea, the number one illness in travelers, can be caused by viruses, bacteria, or parasites, which can contaminate food or water. Infections may cause diarrhea and vomiting (*E. coli, Salmonella*, cholera, and parasites), fever (typhoid fever and toxoplasmosis), or liver damage (hepatitis). Make sure your food and drinking water are safe (see below).

Malaria is a preventable infection that can be fatal if left untreated. Prevent infection by taking prescription antimalarial drugs and protecting yourself against mosquito bites (see below). A high risk for malaria exists all year in Papua New Guinea, the Solomon Islands, and Vanuatu. Travelers to these areas should take mefloquine for malaria prevention. For more detailed information about specific locations, see Malaria Information for Travelers to Australia and the South Pacific (http://www.cdc.gov/travel/regionalmalaria/austspac.htm).

A certificate of yellow fever vaccination may be required for entry into certain of these countries if you are coming from a tropical South American or sub-Saharan African country. (There is no risk of yellow fever in Australia and the South Pacific.) For detailed information, see Comprehensive Yellow Fever Vaccination Requirements (<u>http://www.cdc.gov/travel/yelfever.htm</u>).

Dengue, filariasis, Ross River virus, and Murray Valley encephalitis are diseases carried by insects that also occur in this region. Protecting yourself against insect bites (see below) will help to

prevent these diseases.

CDC Recommends the Following Vaccines (as Appropriate for Age):

See your doctor at least 4-6 weeks before your trip to allow time for shots to take effect.

- Hepatitis A or immune globulin (IG) (except for Australia and New Zealand).
- Rabies, if you might be exposed to wild or domestic animals through your work or recreation.

• Typhoid (except for Australia and New Zealand), particularly if you are visiting developing countries in this region.

• As needed, booster doses for tetanus-diphtheria and measles, and a one-time dose of polio for adults. Hepatitis B vaccine is now recommended for all infants and for children 11-12 years of age who did not receive the series as infants.

All travelers should take the following precautions, no matter the destination:

• Wash hands often with soap and water.

• Because motor vehicle crashes are a leading cause of injury among travelers, walk and drive defensively. Avoid travel at night if possible and always use seat belts.

- Always use latex condoms to reduce the risk of HIV and other sexually transmitted diseases.
- Don't eat or drink dairy products unless you know they have been pasteurized.
- Don't share needles with anyone.

• Eat only thoroughly cooked food or fruits and vegetables you have peeled yourself. Remember: boil it, cook it, peel it, or forget it.

• Never eat undercooked ground beef and poultry, raw eggs, and unpasteurized dairy products. Raw shellfish is particularly dangerous to persons who have liver disease or compromised immune systems.

Travelers visiting undeveloped areas should take the following precautions: To Stay Healthy, Do:

• Drink only bottled or boiled water, or carbonated (bubbly) drinks in cans or bottles. Avoid tap water, fountain drinks, and ice cubes. If this is not possible, make water safer by BOTH filtering through an "absolute 1-micron or less" filter AND adding iodine tablets to the filtered water. "Absolute 1-micron filters" are found in camping/outdoor supply stores.

• If you visit an area where there is risk for malaria, take your malaria prevention medication before, during, and after travel, as directed. (See your doctor for a prescription.)

• Protect yourself from insects by remaining in well-screened areas, using repellents (applied sparingly at 4-hour intervals), and wearing long-sleeved shirts and long pants from dusk through dawn.

• To prevent fungal and parasitic infections, keep feet clean and dry, and do not go barefoot.

To Avoid Getting Sick:

- Don't eat food purchased from street vendors.
- Don't drink beverages with ice.
- Don't share needles with anyone.

• Don't handle animals (especially monkeys, dogs, and cats), to avoid bites and serious diseases (including rabies and plague).

What You Need To Bring with You:

• Long-sleeved shirt and long pants to wear while outside whenever possible, to prevent illnesses carried by insects.

• Insect repellent containing DEET (diethylmethyltoluamide), in 30%-35% strength for adults and 6%-10% for children, as well as a bed net impregnated with the insecticide permethrin. (Bed nets can be purchased in camping or military supply stores.)

- Over-the-counter antidiarrheal medicine to take if you have diarrhea.
- Iodine tablets and portable water filters to purify water if bottled water is not available.
- Sunblock, sunglasses, hat.

• Prescription medications: make sure you have enough to last during your trip, as well as a copy of the prescription(s).

After You Return Home:

If you have visited an area where there is risk for malaria, continue taking your malaria medication weekly for 4 weeks after you leave the area.

If you become ill-even as long as a year after your trip-tell your doctor the areas you have visited.

For More Information:

Ask your doctor or check CDC web sites for more information about how to protect yourself against diseases that occur in Australia and the South Pacific, such as:

For information about diseases-

Carried by Insects Dengue, Malaria, Murray Valley Encephalitis

Carried in Food or Water *Escherichia coli,* diarrhea, Hepatitis A, Typhoid Fever

Person-to-Person Contact Hepatitis B, HIV/AIDS

For more information about these and other diseases, please check the Diseases (<u>http://www.cdc.gov/travel/diseases.htm</u>) section and the Health Topics A-Z

(http://www.cdc.gov/health/diseases.htm).

Note:

Micronesia is located in the Australia and the Pacific health region.

Sources:

The Center for Disease Control Destinations Website: <u>http://www.cdc.gov/travel/destinat.htm</u>

Chapter 6

Environmental Overview

Environmental Issues

General Overview:

In a smattering of rapidly growing urbanized settlements, Micronesia contends with population pressures and insufficient modern infrastructure. Related problems are soil erosion and degradation of coastal resources. However, much of this far-flung archipelago retains its natural landscape and seascape in a pristine state. The several hundred islands that make up this small nation range in type from coral atolls to more substantial consolidated coral-based islands to a few high-elevation islands of volcanic origin. Important ecosystems include rain forests, coastal mangrove forests, and coral reefs.

Current Issues:

-overfishing -climate change -pollution -soil erosion -degradation of coastal resources

Total Greenhouse Gas Emissions (Mtc):

N/A

Country Rank (GHG output):

N/A

Natural Hazards:

-typhoons

Environmental Policy

Regulation and Jurisdiction:

The regulation and protection of the environment in Micronesia is under the jurisdiction of the following:

• Department of Resources and Development

Major Non-Governmental Organizations:

N/A

International Environmental Accords:

Party to:

- Biodiversity
- Climate Change
- Climate Change-Kyoto Protocol
- Desertification
- Hazardous Wastes
- Law of the Sea
- Ozone Layer Protection

Signed but not ratified:

• None

Kyoto Protocol Status (year ratified):

1999

Greenhouse Gas Ranking

Greenhouse Gas Ranking

GHG Emissions Rankings

Country Rank	Country
1	United States
2	China
4	Russia
5	Japan
6	India
7	Germany
8	United Kingdom
9	Canada
10	Korea, South

12Mexico13France14South Africa15Iran16Indonesia17Australia18Spain19Brazil20Saudi Arabia21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	11	Italy
14South Africa15Iran16Indonesia17Australia18Spain19Brazil20Saudi Arabia21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	12	Mexico
15Iran16Indonesia17Australia18Spain19Brazil20Saudi Arabia21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	13	France
16Indonesia17Australia18Spain19Brazil20Saudi Arabia21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	14	South Africa
17Australia18Spain19Brazil20Saudi Arabia21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	15	Iran
18Spain19Brazil20Saudi Arabia21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	16	Indonesia
19Brazil20Saudi Arabia21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	17	Australia
20Saudi Arabia21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	18	Spain
21Ukraine22Poland23Taiwan24Turkey25Thailand26Netherlands	19	Brazil
22Poland23Taiwan24Turkey25Thailand26Netherlands	20	Saudi Arabia
23Taiwan24Turkey25Thailand26Netherlands	21	Ukraine
24Turkey25Thailand26Netherlands	22	Poland
25 Thailand 26 Netherlands	23	Taiwan
26 Netherlands	24	Turkey
	25	Thailand
	26	Netherlands
21 Kazakhstan	27	Kazakhstan
28 Malaysia	28	Malaysia

29	Egypt
30	Venezuela
31	Argentina
32	Uzbekistan
33	Czech Republic
34	Belgium
35	Pakistan
36	Romania
37	Greece
38	United Arab Emirates
39	Algeria
40	Nigeria
41	Austria
42	Iraq
43	Finland
44	Philippines
45	Vietnam
46	Korea, North

47	Israel
48	Portugal
49	Colombia
50	Belarus
51	Kuwait
52	Hungary
53	Chile
54	Denmark
55	Serbia & Montenegro
56	Sweden
57	Syria
58	Libya
59	Bulgaria
60	Singapore
61	Switzerland
62	Ireland
63	Turkmenistan
64	Slovakia

65	Bangladesh
66	Morocco
67	New Zealand
68	Oman
69	Qatar
70	Azerbaijan
71	Norway
72	Peru
73	Cuba
74	Ecuador
75	Trinidad & Tobago
76	Croatia
77	Tunisia
78	Dominican Republic
79	Lebanon
80	Estonia
81	Yemen
82	Jordan

83	Slovenia
84	Bahrain
85	Angola
86	Bosnia & Herzegovina
87	Lithuania
88	Sri Lanka
89	Zimbabwe
90	Bolivia
91	Jamaica
92	Guatemala
93	Luxembourg
94	Myanmar
95	Sudan
96	Kenya
97	Macedonia
98	Mongolia
99	Ghana
100	Cyprus

101	Moldova
102	Latvia
103	El Salvador
104	Brunei
105	Honduras
106	Cameroon
107	Panama
108	Costa Rica
109	Cote d'Ivoire
110	Kyrgyzstan
111	Tajikistan
112	Ethiopia
113	Senegal
114	Uruguay
115	Gabon
116	Albania
117	Nicaragua
118	Botswana

119	Paraguay
120	Tanzania
121	Georgia
122	Armenia
123	Congo, RC
124	Mauritius
125	Nepal
126	Mauritius
127	Nepal
128	Mauritania
129	Malta
130	Papua New Guinea
131	Zambia
132	Suriname
133	Iceland
134	Тодо
135	Benin
136	Uganda

Haiti Congo, DRC
Congo, DRC
Guyana
Mozambique
Guinea
Equatorial Guinea
Laos
Barbados
Niger
Fiji
Burkina Faso
Malawi
Swaziland
Belize
Afghanistan
Sierra Leone
Eritrea

155	Rwanda
156	Mali
157	Seychelles
158	Cambodia
159	Liberia
160	Bhutan
161	Maldives
162	Antigua & Barbuda
163	Djibouti
164	Saint Lucia
165	Gambia
166	Guinea-Bissau
167	Central African Republic
168	Palau
169	Burundi
170	Grenada
171	Lesotho
172	Saint Vincent & the Grenadines

174Samoa175Cape Verde176Nauru177Dominica178Saint Kitts & Nevis179Chad180Tonga181Sao Tome & Principe182Comoros183Vanuatu185KiribatiNot RankedAndorraNot RankedHoly See	173	Solomon Islands
176Nauru176Nauru177Dominica178Saint Kitts & Nevis179Chad180Tonga181Sao Tome & Principe182Comoros183Vanuatu185KiribatiNot RankedEast TimorNot RankedHoly See	174	Samoa
177Dominica178Saint Kitts & Nevis179Chad180Tonga181Sao Tome & Principe182Comoros183Vanuatu185KiribatiNot RankedAndorraNot RankedHoly See	175	Cape Verde
178Saint Kitts & Nevis179Chad180Tonga181Sao Tome & Principe182Comoros183Vanuatu185KiribatiNot RankedAndorraNot RankedEast TimorNot RankedHoly See	176	Nauru
179Chad180Tonga181Sao Tome & Principe182Comoros183Vanuatu185KiribatiNot RankedAndorraNot RankedEast TimorNot RankedHoly See	177	Dominica
180Tonga181Sao Tome & Principe182Comoros183Vanuatu185KiribatiNot RankedAndorraNot RankedEast TimorNot RankedHoly See	178	Saint Kitts & Nevis
181Sao Tome & Principe182Comoros183Vanuatu185KiribatiNot RankedAndorraNot RankedEast TimorNot RankedHoly See	179	Chad
182Comoros183Vanuatu185KiribatiNot RankedAndorraNot RankedEast TimorNot RankedHoly See	180	Tonga
183Vanuatu185KiribatiNot RankedAndorraNot RankedEast TimorNot RankedHoly See	181	Sao Tome & Principe
185KiribatiNot RankedAndorraNot RankedEast TimorNot RankedHoly See	182	Comoros
Not RankedAndorraNot RankedEast TimorNot RankedHoly See	183	Vanuatu
Not Ranked East Timor Not Ranked Holy See	185	Kiribati
Not Ranked Holy See	Not Ranked	Andorra
	Not Ranked	East Timor
	Not Ranked	Holy See
Not Ranked Hong Kong	Not Ranked	Hong Kong
Not Ranked Liechtenstein	Not Ranked	Liechtenstein
Not Ranked Marshall Islands	Not Ranked	Marshall Islands

Not Ranked	Micronesia
Not Ranked	Monaco
Not Ranked	San Marino
Not Ranked	Somalia
Not Ranked	Tuvalu

* European Union is ranked 3rd Cook Islands are ranked 184th Niue is ranked 186th

Global Environmental Snapshot

Introduction

The countries of the world face many environmental challenges in common. Nevertheless, the nature and intensity of problem vary from region to region, as do various countries' respective capacities, in terms of affluence and infrastructure, to remediate threats to environmental quality.

Consciousness of perils affecting the global environment came to the fore in the last third or so of the 20th century has continued to intensify well into the new millennium. According to the United Nations Environment Programme, considerable environmental progress has been made at the level of institutional developments, international cooperation accords, and public participation. Approximately two-dozen international environmental protection accords with global implications have been promulgated since the late 1970s under auspices of the United Nations and other international organizations, together with many additional regional agreements. Attempts to address and rectify environmental problems take the form of legal frameworks, economic instruments, environmentally sound technologies and cleaner production processes as well as conservation efforts. Environmental impact assessments have increasingly been applied across the globe.

Environmental degradation affects the quality, or aesthetics, of human life, but it also displays potential to undermine conditions necessary for the sustainability of human life. Attitudes toward

the importance of environmental protection measures reflect ambivalence derived from this bifurcation. On one hand, steps such as cleaning up pollution, dedicating parkland, and suchlike, are seen as embellishments undertaken by wealthy societies already assured they can successfully perform those functions deemed, ostensibly, more essential-for instance, public health and education, employment and economic development. On the other hand, in poorer countries, activities causing environmental damage-for instance the land degradation effects of unregulated logging, slash-and-burn agriculture, overgrazing, and mining-can seem justified insofar as such activities provide incomes and livelihoods.

Rapid rates of resource depletion are associated with poverty and high population growth, themselves correlated, whereas consumption per capita is much higher in the most developed countries, despite these nations' recent progress in energy efficiency and conservation. It is impossible to sequester the global environmental challenge from related economic, social and political challenges.

First-tier industrialized countries have recently achieved measurable decreases in environmental pollution and the rate of resource depletion, a success not matched in middle income and developing countries. It is believed that the discrepancy is due to the fact that industrialized countries have more developed infrastructures to accommodate changes in environmental policy, to apply environmental technologies, and to invest in public education. The advanced industrialized countries incur relatively lower costs in alleviating environmental problems, in comparison to developing countries, since in the former even extensive environmental programs represent a rather minuscule percentage of total expenditures. Conversely, budget constraints, lagged provision of basic services to the population, and other factors such as debt service and militarization may preclude institution of minimal environmental protection measures in the poorest countries.

A synopsis for the current situation facing each region of the world follows:

Regional Synopsis: Africa

The African continent, the world's second-largest landmass, encompasses many of the world's least developed countries. By global standards, urbanization is comparatively low but rising at a rapid rate. More heavily industrialized areas at the northern and southern ends of the continent experience the major share of industrial pollution. In other regions the most serious environmental problems typically stem from inefficient subsistence farming methods and other forms of land degradation, which have affected an increasingly extensive area under pressure of a widely impoverished, fast-growing population. Africa's distribution of natural resources is very uneven. It is the continent at greatest risk of desertification, especially in the Sahel region at the edge of the Sahara but also in other dry-range areas. Yet at the same time, Africa also harbors some of the earth's richest and most diverse biological zones.

Key Points:

Up to half a billion hectares of African land are moderately to severely degraded, an occurrence reflecting short-fallow shifting cultivation and overgrazing as well as a climatic pattern of recurrent droughts.

Soil degradation is severe along the expanse directly south of the Sahara, from the west to the east coasts. Parts of southern Africa, central-eastern Africa, and the neighboring island of Madagascar suffer from serious soil degradation as well.

Africa contains about 17 percent of the world's forest cover, concentrated in the tropical belt of the continent. Many of the forests, however, are severely depleted, with an estimated 70 percent showing some degree of degradation.

Population growth has resulted in continuing loss of arable land, as inefficient subsistence farming techniques affect increasingly extensive areas. Efforts to implement settled, sustainable agriculture have met with some recent success, but much further progress in this direction is needed. Especially in previously uninhabited forestlands, concern over deforestation is intensifying.

By contrast, the African savanna remains the richest grassland in the world, supporting a substantial concentration of animal and plant life. Wildlife parks are sub-Saharan Africa's greatest tourist attraction, and with proper management-giving local people a stake in conservation and controlling the pace of development-could greatly enhance African economies.

Significant numbers of mammal species in parts of northern, southern and eastern Africa are currently threatened, while the biological diversity in Mauritania and Madagascar is even further compromised with over 20 percent of the mammal species in these two countries currently under threat.

With marine catch trends increasing from 500,000 metric tons in the 1950s to over 3,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Water resource vulnerability is a major concern in northeastern Africa, and a moderate concern across the rest of the continent. An exception is central Africa, which has plentiful water supplies.

Many Africans lack adequate access to resources, not just (if at all) because the resources are unevenly distributed geographically, but also through institutional failures such as faulty land tenure systems or political upheaval. The quality of Africa's natural resources, despite their spotty distribution, is in fact extraordinarily rich. The infrastructure needed to protect and benefit from this natural legacy, however, is largely lacking.

Regional Synopsis: Asia and the Pacific

Asia-earth's largest landmass-and the many large and nearly innumerable small islands lying off its Pacific shore display extraordinarily contrasting landscapes, levels of development, and degrees of environmental stress. In the classification used here, the world's smallest continent, Australia, is also included in the Asia-Pacific region.

The Asia-Pacific region is home to 9 of the world's 14 largest urban areas, and as energy use for utilities, industry and transport increases in developing economies, urban centers are subject to worsening air quality. Intense population density in places such as Bangladesh or Hong Kong is the quintessential image many people have of Asia, yet vast desert areas such as the Gobi and the world's highest mountain range, the Himalayas, span the continent as well. Forested areas in Southeast Asia and the islands of Indonesia and the Philippines were historically prized for their tropical hardwood, but in many places this resource is now severely depleted. Low-lying small island states are extremely vulnerable to the effects of global warming, both rising sea levels and an anticipated increase in cyclones.

Key Points:

Asian timber reserves are forecast to be depleted in the next 40 years. Loss of natural forest is irreversible in some areas, but plantation programs to restore tree cover may ameliorate a portion of the resulting land degradation.

Increased usage of fossil fuels in China and other parts of southern Asia is projected to result in a marked increase in emissions, especially in regard to carbon dioxide. The increased usage of energy has led to a marked upsurge in air pollution across the region.

Acidification is an emerging problem regionally, with sulfur dioxide emissions expected to triple by 2010 if the current growth rate is sustained. China, Thailand, India, and Korea seem to be suffering from particularly high rates of acid deposition. By contrast, Asia's most highly developed economy, Japan, has effected substantial improvements in its environmental indicators.

Water pollution in the Pacific is an urgent concern since up to 70 percent of the water discharged into the region's waters receives no treatment. Additionally, the disposal of solid wastes, in like manner, poses a major threat in a region with many areas of high population density.

The Asia-Pacific region is the largest expanse of the world's land that is adversely affected by soil degradation.

The region around Australia reportedly suffers the largest degree of ozone depletion.

The microstates of the Pacific suffer land loss due to global warming, and the consequent rise in the levels of ocean waters. A high-emissions scenario and anthropogenic climate impact at the upper end of the currently predicted range would probably force complete evacuation of the lowest-elevation islands sometime in this century.

The species-rich reefs surrounding Southeast Asia are highly vulnerable to the deleterious effects of coastal development, land-based pollution, over-fishing and exploitative fishing methods, as well as marine pollution from oil spills and other activities.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of China and south-east Asia are currently threatened, while the biological diversity in India, Japan, Australia, the Philippines, Indonesia and parts of Malaysia is even further compromised with over 20 percent of the mammal species in these countries currently under threat.

Water resource vulnerability is a serious concern in areas surrounding the Indian subcontinent.

Regional Synopsis: Central Asia

The Central Asian republics, formerly in the Soviet Union, experience a range of environmental problems as the result of poorly executed agricultural, industrial, and nuclear programs during the Soviet era. Relatively low population densities are the norm, especially since upon the breakup of the U.S.S.R. many ethnic Russians migrated back to European Russia. In this largely semi-arid region, drought, water shortages, and soil salinization pose major challenges.

Key Points:

The use of agricultural pesticides, such as DDT and other chemicals, has contributed to the contamination of soil and groundwater throughout the region.

Land and soil degradation, and in particular, increased salinization, is mostly attributable to faulty irrigation practices.

Significant desertification is also a problem in the region.

Air pollution is prevalent, mostly due to use of low octane automobile fuel.

Industrial pollution of the Caspian Sea and the Aral Sea, as a result of industrial effluents as well as mining and metal production, presents a challenge to the countries bordering these bodies of water.

One of the most severe environmental problems in the region is attributable to the several billion tons of hazardous materials stored in landfills across Central Asia.

Uzbekistan's particular problem involves the contraction of the Aral Sea, which has decreased in size by a third, as a consequence of river diversions and poor irrigation practices. The effect has been the near-total biological destruction of that body of water.

Kazakhstan, as a consequence of being the heartland of the former Soviet Union's nuclear program, has incurred a high of cancerous malignancies, biogenetic abnormalities and radioactive contamination.

While part of the Soviet Union, the republics in the region experienced very high levels of greenhouse gas emissions, as a consequence of rapid industrialization using cheap but dirty energy sources, especially coal.

By contrast, however, there have recently been substantial reductions in the level of greenhouse gas emissions, especially those attributable to coal burning, with further decreases anticipated over the next decade. These changes are partially due to the use of cleaner energy technologies, such as natural gas, augmented by governmental commitment to improving environmental standards.

Regional Synopsis: Europe

Western Europe underwent dramatic transformation of its landscape, virtually eliminating largescale natural areas, during an era of rapid industrialization, which intensified upon its recovery from World War II. In Eastern Europe and European Russia, intensive land development has been less prevalent, so that some native forests and other natural areas remain. Air and water pollution from use of dirty fuels and industrial effluents, however, are more serious environmental problems in Eastern than in Western Europe, though recent trends show improvement in many indicators. Acid rain has inflicted heavy environmental damage across much of Europe, particularly on forests. Europe and North America are the only regions in which water usage for industry exceeds that for agriculture, although in Mediterranean nations agriculture is the largest water consumer.

Key Points:

Europe contributes 36 percent of the world's chlorofluorocarbon emissions, 30 percent of carbon dioxide emissions, and 25 percent of sulfur dioxide emissions.

Sulfur and nitrogen oxide emissions are the cause of 30 to 50 percent of Central and Eastern Europe's deforestation.

Acid rain has been an environmental concern for decades and continues to be a challenge in parts of Western Europe.

Overexploitation of up to 60 percent of Europe's groundwater presents a problem in industrial and urban areas.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of western Europe, Eastern Europe and Russia are currently threatened, while the biological diversity on the Iberian Peninsula is even further compromised with over 40 percent of the mammal species in this region currently under threat. As a result, there has been a 10 percent increase in protected areas of Europe.

A major environmental issue for Europe involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Some estimates suggest that up to 50 percent of the continent's fish species may be considered endangered species. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species.

Fortunately, in the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Recently, most European countries have adopted cleaner production technologies, and alternative methods of waste disposal, including recycling.

The countries of Eastern Europe have made air quality a major environmental priority. This is exemplified by the Russian Federation's addition to the 1995 "Berlin Mandate" (transnational legislation based on resolutions of the Rio Earth Summit) compelling nations to promote "carbon sinks" to absorb greenhouse gases.

On a relative basis, when compared with the degree of industrial emissions emitted by many Eastern European countries until the late 1980s, there has been some marked increase in air quality in the region, as obsolete plants are closed and a transition to cleaner fuels and more efficient

energy use takes place.

Regional Synopsis: The Middle and Near East

Quite possibly, the Middle East will exemplify the adage that, as the 20th century was a century fixated on oil, the 21st century will be devoted to critical decisions about water. Many (though far from all) nations in the Middle East rank among those countries with the largest oil and gas reserves, but water resources are relatively scarce throughout this predominantly dry region. Effects of global warming may cause moderately high elevation areas that now typically receive winter "snowpack" to experience mainly rain instead, which would further constrain dry-season water availability. The antiquities and religious shrines of the region render it a great magnet for tourism, which entails considerable economic growth potential but also intensifies stresses on the environment.

Key Points:

Water resource vulnerability is a serious concern across the entire region. The increased usage of, and further demand for water, has exacerbated long-standing water scarcity in the region. For instance, river diversions and industrial salt works have caused the Dead Sea to shrink by one-third from its original surface area, with further declines expected.

The oil industry in the region contributes to water pollution in the Persian Gulf, as a result of oil spills, which have averaged 1.2 million barrels of oil spilt per year (some sources suggest that this figure is understated). The consequences are severe because even after oil spills have been cleaned up, environmental damage to the food webs and ecosystems of marine life will persist for a prolonged period.

The region's coastal zone is considered one of the most fragile and endangered ecosystems of the world. Land reclamation, shoreline construction, discharge of industrial effluents, and tourism (such as diving in the Red Sea) contribute to widespread coastal damage.

Significant numbers of mammal species in parts of the Middle East are currently threatened.

Since the 1980s, 11 percent of the region's natural forest has been depleted.

Regional Synopsis: Latin America and the Caribbean

The Latin American and Caribbean region is characterized by exceedingly diverse landforms that

have generally seen high rates of population growth and economic development in recent decades. The percentage of inhabitants residing in urban areas is quite high at 73.4 percent; the region includes the megacities of Mexico City, Sao Paulo, and Rio de Janeiro. The region also includes the world's second-highest mountain range, the Andes; significant expanses of desert and grassland; the coral reefs of the Caribbean Sea; and the world's largest contiguous tropical forest in the Amazon basin. Threats to the latter from subsistence and commercial farming, mineral exploitation and timbering are well publicized. Nevertheless, of eight countries worldwide that still retain at least 70 percent of their original forest cover, six are in Latin America. The region accounts for nearly half (48.3 percent) of the world's greenhouse gas emissions derived from land clearing, but as yet a comparatively minuscule share (4.3 percent) of such gases from industrial sources.

Key Points:

Although Latin America is one of the most biologically diverse regions of the world, this biodiversity is highly threatened, as exemplified by the projected extinction of up to 100,000 species in the next few decades. Much of this loss will be concentrated in the Amazon area, although the western coastline of South America will also suffer significant depletion of biological diversity. The inventory of rainforest species with potentially useful commercial or medical applications is incomplete, but presumed to include significant numbers of such species that may become extinct before they are discovered and identified.

Up to 50 percent of the region's grazing land has lost its soil fertility as a result of soil erosion, salinization, alkalinization and overgrazing.

The Caribbean Sea, the Atlantic Ocean, and the Pacific Ocean have all been contaminated by agricultural wastes, which are discharged into streams that flow into these major waters. Water pollution derived from phosphorous, nitrates and pesticides adversely affects fish stocks, contributes to oxygen depletion and fosters overgrowth of aquatic vegetation. Marine life will continue to be severely compromised as a result of these conditions.

Due to industrial development in the region, many beaches of eastern Latin America and the Caribbean suffer from tar deposits.

Most cities in the region lack adequate sewage treatment facilities, and rapid migration of the rural poor into the cities is widening the gap between current infrastructure capacity and the much greater level needed to provide satisfactory basic services.

The rainforest region of the Amazon Basin suffers from dangerously high levels of deforestation, which may be a significant contributory factor to global warming or "the greenhouse effect." In the late 1990s and into the new millennium, the rate of deforestation was around 20 million acres of rainforest being destroyed annually.

Deforestation on the steep rainforest slopes of Caribbean islands contributes to soil erosion and landslides, both of which then result in heavy sedimentation of nearby river systems. When these sedimented rivers drain into the sea and coral reefs, they poison the coral tissues, which are vital to the maintenance of the reef ecosystem. The result is marine degradation and nutrient depletion. Jamaica's coral reefs have never quite recovered from the effects of marine degradation.

The Southern Cone of Latin America (Argentina, Brazil, Chile, Paraguay, and Uruguay) suffers the effects of greatly increased ultraviolet-B radiation, as a consequence of more intense ozone depletion in the southern hemisphere.

Water resource vulnerability is an increasingly major concern in the northwestern portion of South America.

Regional Synopsis: North America

North American nations, in particular the United States and Canada, rank among the world's most highly developed industrial economies-a fact which has generated significant pollution problems, but also financial resources and skills that have enabled many problems to be corrected. Although efforts to promote energy efficiency, recycling, and suchlike have helped ease strains on the environment in a part of the world where per capita consumption levels are high, sprawling land development patterns and recent preferences many households have demonstrated for larger vehicles have offset these advances.

Meanwhile, a large portion of North America's original forest cover has been lost, though in many cases replaced by productive second-growth woodland. In recent years, attitudes toward best use of the region's remaining natural or scenic areas seem to be shifting toward recreation and preservation and away from resource extraction. With increasing attention on the energy scarcity in the United States, however, there is speculation that this shift may be short-lived. Indeed, the energy shortage on the west coast of the United States and associated calls for energy exploration, indicate a possible retrenchment toward resource extraction. At the same time, however, it has also served to highlight the need for energy conservation as well as alternative energy sources.

Despite generally successful anti-pollution efforts, various parts of the region continue to suffer significant air, water and land degradation from industrial, vehicular, and agricultural emissions and runoff. Mexico, as a middle-income country, displays environmental problems characteristic of a developing economy, including forest depletion, pollution from inefficient industrial processes and dirty fuels, and lack of sufficient waste-treatment infrastructure.

Key Points:

Because of significantly greater motor vehicle usage in the United States (U.S.) than in the rest of the world, the U.S. contribution of urban air pollution and greenhouse gas emissions, especially carbon dioxide, is disproportionately high in relation to its population.

Acid rain is an enduring issue of contention in the northeastern part of the United States, on the border with Canada.

Mexico's urban areas suffer extreme air pollution from carbon monoxide, nitrogen oxides, sulfur dioxide, and other toxic air pollutants. Emissions controls on vehicles are in their infancy, compared to analogous regulations in the U.S.

The cities of Mexico, including those on the U.S. border, also discharge large quantities of untreated or poorly treated sewage, though officials are currently planning infrastructure upgrades.

Deforestation is noteworthy in various regions of the U.S., especially along the northwest coastline. Old growth forests have been largely removed, but in the northeastern and upper midwestern sections of the United States, evidence suggests that the current extent of tree cover probably surpasses the figure for the beginning of the 20th century.

Extreme weather conditions in the last few years have resulted in a high level of soil erosion along the north coast of California; in addition, the coastline itself has shifted substantially due to soil erosion and concomitant landslides.

Agricultural pollution-including nitrate contamination of well water, nutrient runoff to waterways, and pesticide exposure-is significant in various areas. Noteworthy among affected places are California's Central Valley, extensive stretches of the Midwest, and land in the Chesapeake Bay watershed.

Inland waterways, especially around the Great Lakes, have substantially improved their water quality, due to concentrated efforts at reducing water pollution by governmental, commercial and community representatives. Strict curbs on industrial effluents and near-universal implementation of sewage treatment are the chief factors responsible for this improvement.

A major environmental issue for Canada and the United States involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species. In the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Due to the decay of neighboring ecosystems in Central America and the Caribbean, the sea

surrounding Florida has become increasingly sedimented, contributing to marine degradation, nutrient depletion of the ecosystem, depletion of fish stocks, and diseases to coral species in particular.

Polar Regions

Key Points:

The significant rise in sea level, amounting 10 to 25 centimeters in the last 100 years, is due to the melting of the Arctic ice sheets, and is attributed to global warming.

The Antarctic suffers from a significant ozone hole, first detected in 1976. By 1985, a British scientific team reported a 40 percent decrease in usual regeneration rates of the ozone. Because a sustained increase in the amount of ultraviolet-B radiation would have adverse consequences upon all planetary life, recent environmental measures have been put into effect, aimed at reversing ozone depletion. These measures are projected to garner significant results by 2050.

Due to air and ocean currents, the Arctic is a sink for toxic releases originally discharged thousands of miles away. Arctic wildlife and Canada's Inuit population have higher bodily levels of contaminants such as PCB and dioxin than those found in people and animals in much of the rest of the world.

Global Environmental Concepts

1. Global Warming and Greenhouse Gases

The Greenhouse Effect:

In the early 19th century, the French physicist, Jean Fourier, contended that the earth's atmosphere functions in much the same way as the glass of a greenhouse, thus describing what is now understood as the "greenhouse effect." Put simply, the "greenhouse effect" confines some of the sun's energy to the earth, preserving some of the planet's warmth, rather than allowing it to flow back into space. In so doing, all kinds of life forms can flourish on earth. Thus, the "greenhouse effect" is necessary to sustain and preserve life forms and ecosystems on earth.

In the late 19th century, a Swedish chemist, Svante Arrhenius, noticed that human activities, such as the burning of coal and other fossil fuels for heat, and the removal of forested lands for urban development, led to higher concentrations of greenhouse gases, like carbon dioxide and methane, in the atmosphere. This increase in the levels of greenhouse gases was believed to advance the "greenhouse effect" exponentially, and might be related to the trend in global warming.

In the wake of the Industrial Revolution, after industrial development took place on a large scale and the total human population burgeoned simultaneously with industrialization, the resulting increase in greenhouse gas emissions could, many scientists believe, be significant enough to have some bearing on climate. Indeed, many studies in recent years support the idea that there is a linkage between human activities and global warming, although there is less consensus on the extent to which this linkage may be relevant to environmental concerns.

That said, some scientists have argued that temperature fluctuations have existed throughout the evolution of the planet. Indeed, Dr. S. Fred Singer, the president of the Science and Environment Policy Project has noted that 3,000-year-old geological records of ocean sediment reveal changes in the surface temperature of the ocean. Hence, it is possible that climate variability is merely a normal fact of the planet's evolution. Yet even skeptics as to anthropogenic factors concur that any substantial changes in global temperatures would likely have an effect upon the earth's ecosystems, as well as the life forms that inhabit them.

The Relationship Between Global Warming and Greenhouse Gases:

A large number of climatologists believe that the increase in atmospheric concentrations of "greenhouse gas emissions," mostly a consequence of human activities such as the burning of fossil fuels, are contributing to global warming. The cause notwithstanding, the planet has reportedly warmed 0.3°C to 0.6°C over the last century. Indeed, each year during the 1990s was one of the very warmest in the 20th century, with the mean surface temperature for 1999 being the fifth warmest on record since 1880.

In early 2000, a panel of atmospheric scientists for the National Research Council concluded in a report that global warming was, indeed, a reality. While the panel, headed by Chairman John Wallace, a professor of atmospheric sciences at the University of Washington, stated that it remained unclear whether human activities have contributed to the earth's increasing temperatures, it was apparent that global warming exists.

In 2001, following a request for further study by the incoming Bush administration in the <u>United</u> <u>States</u>, the National Academy of Sciences again confirmed that global warming had been in existence for the last 20 years. The study also projected an increase in temperature between 2.5 degrees and 10.4 degrees Fahrenheit by the year 2100. Furthermore, the study found the leading

cause of global warming to be emissions of carbon dioxide from the burning of fossil fuels, and it noted that greenhouse gas accumulations in the earth's atmosphere was a result of human activities.

Within the scientific community, the controversy regarding has centered on the difference between surface air and upper air temperatures. Information collected since 1979 suggests that while the earth's surface temperature has increased by about a degree in the past century, the atmospheric temperature five miles above the earth's surface has indicated very little increase. Nevertheless, the panel stated that this discrepancy in temperature between surface and upper air does not invalidate the conclusion that global warming is taking place. Further, the panel noted that natural events, such as volcanic eruptions, can decrease the temperature in the upper atmosphere.

The major consequences of global warming potentially include the melting of the polar ice caps, which, in turn, contribute to the rise in sea levels. Many islands across the globe have already experienced a measurable loss of land as a result. Because global warming may increase the rate of evaporation, increased precipitation, in the form of stronger and more frequent storm systems, is another potential outcome. Other consequences of global warming may include the introduction and proliferation of new infectious diseases, loss of arable land (referred to as "desertification"), destructive changes to existing ecosystems, loss of biodiversity and the isolation of species, and concomitant adverse changes in the quality of human life.

International Policy Development in Regard to Global Warming:

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.

2. To ensure and enable sustainable development and food production on a global scale.

*** See section on "International Environmental Agreements and Associations" for information related to international policies related to limiting greenhouse gases and controlling climate change

emanating from historic summits at Kyoto, Copenhagen, Doha, and Paris. ***

2. Air Pollution

Long before global warming reared its head as a significant issue, those concerned about the environment and public health noted the deleterious effects of human-initiated combustion upon the atmosphere. Killer smogs from coal burning triggered acute health emergencies in London and other places. At a lower level of intensity motor vehicle, power plant, and industrial emissions impaired long-range visibility and probably had some chronic adverse consequences on the respiratory systems of persons breathing such air.

In time, scientists began associating the sulfur dioxide and nitrogen oxides released from coal burning with significant acid deposition in the atmosphere, eventually falling as "acid rain." This phenomenon has severely degraded forestlands, especially in Europe and a few parts of the <u>United States</u>. It has also impaired some aquatic ecosystems and eaten away the surface of some human artifacts, such as marble monuments. Scrubber technology and conversion to cleaner fuels have enabled the level of industrial production to remain at least constant while significantly reducing acid deposition. Technologies aimed at cleaning the air and curtailing acid rain, soot, and smog may, nonetheless, boomerang as the perils of global warming become increasingly serious. In brief, these particulates act as sort of a sun shade -- comparable to the effect of volcanic eruptions on the upper atmosphere whereby periods of active volcanism correlate with temporarily cooler weather conditions. Thus, while the carbon dioxide releases that are an inevitable byproduct of combustion continue, by scrubbing the atmosphere of pollutants, an industrial society opens itself to greater insolation (penetration of the sun's rays and consequent heating), and consequently, it is likely to experience a correspondingly greater rise in ambient temperatures.

The health benefits of removing the sources of acid rain and smog are indisputable, and no one would recommend a return to previous conditions. Nevertheless, the problematic climatic effects of continually increasing emissions of carbon dioxide and other greenhouse gases pose a major global environmental challenge, not as yet addressed adequately.

3. Ozone Depletion

The stratospheric ozone layer functions to prevent ultraviolet radiation from reaching the earth. Normally, stratospheric ozone is systematically disintegrated and regenerated through natural photochemical processes. The stratospheric ozone layer, however, has been depleted unnaturally as a result of anthropogenic (man-made) chemicals, most especially chlorine and bromide compounds such as chloroflorocarbons (CFCs), halons, and various industrial chemicals in the form of solvents, refrigerants, foaming agents, aerosol propellants, fire retardants, and fumigants. Ozone depletion is of concern because it permits a greater degree of ultraviolet-B radiation to reach the earth, which then increases the incidences of cancerous malignancies, cataracts, and human immune deficiencies. In addition, even in small doses, ozone depletion affects the ecosystem by disturbing food chains, agriculture, fisheries and other forms of biological diversity.

Transnational policies enacted to respond to the dangers of ozone depletion include the 1985 Vienna Convention on the Protection of the Ozone Layer and the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. The Montreal Protocol was subsequently amended in London in 1990, Copenhagen in 1992 and Vienna in 1995. By 1996, 155 countries had ratified the Montreal Protocol, which sets out a time schedule for the reduction (and eventual elimination) of ozone depleting substances (OPS), and bans exports and imports of ODS from and to non-participant countries.

In general, the Protocol stipulates that developed countries must eliminate halon consumption by 1994 and CFC consumption by 1996, while developing countries must eliminate these substances by 2010. Consumption of methyl bromide, which is used as a fumigant, was to be frozen at the 1995 in developed countries, and fully eliminated in 2010, while developing countries are to freeze consumption by 2002, based on average 1995-1998 consumption levels. Methyl chloroform is to be phased out by 2005. Under the Montreal Protocol, most ODS will be completely eliminated from use by 2010.

4. Land Degradation

In recent decades, land degradation in more arid regions of the world has become a serious concern. The problem, manifest as both "desertification" and "devegetation," is caused primarily by climate variability and human activities, such as "deforestation," excessive cultivation, overgrazing, and other forms of land resource exploitation. It is also exacerbated by inadequate irrigation practices. Although the effects of droughts on drylands have been temporary in the past, today, the productivity and sustainability of these lands have been severely compromised for the long term. Indeed, in every region of the world, land degradation has become an acute issue.

Desertification and Devegetation:

"Desertification" is a process of land degradation causing the soil to deteriorate, thus losing its nutrients and fertility, and eventually resulting in the loss of vegetation, known as "devegetation." As aforementioned, "desertification" and "devegetation" are caused by human activities, yet human beings are also the greatest casualties. Because these forms of land degradation affect the ability of the soil to produce crops, they concomitantly contribute to poverty. As population increases and

demographic concentrations shift, the extent of land subject to stresses by those seeking to wrest subsistence from it has inexorably risen.

In response, the United Nations has formed the Convention to Combat Desertification-aimed at implementing programs to address the underlying causes of desertification, as well as measures to prevent and minimize its effects. Of particular significance is the formulation of policies on transboundary resources, such as areas around lakes and rivers. At a broader level, the Convention has established a Conference of Parties (COP), which includes all ratifying governments, for directing and advancing international action.

To ensure more efficacious use of funding, the Convention intends to reconfigure international aid to utilize a consultative and coordinated approach in the disbursement and expenditure of donor funds. In this way, local communities that are affected by desertification will be active participants in the solution-generation process. In-depth community education projects are envisioned as part of this new international aid program, and private donor financing is encouraged. Meanwhile, as new technologies are developed to deal with the problem of desertification, they need to be distributed for application across the world. Hence, the Convention calls for international cooperation in scientific research in this regard.

Desertification is a problem of sustainable development. It is directly connected to human challenges such as poverty, social and economic well-being and environmental protection as well. Broader environmental issues, such as climate change, biological diversity, and freshwater supplies, are indirectly related, so any effort to resolve this environmental challenge must entail coordinated research efforts and joint action.

Deforestation:

Deforestation is not a recent phenomenon. For centuries, human beings have cut down trees to clear space for land cultivation, or in order to use the wood for fuel. Over the last 200 years, and most especially after World War II, deforestation increased because the logging industry became a globally profitable endeavor, and so the clearing of forested areas was accelerated for the purposes of industrial development. In the long term, this intensified level of deforestation is considered problematic because the forest is unable to regenerate itself quickly. The deforestation that has occurred in tropical rainforests is seen as an especially serious concern, due to the perceived adverse effects of this process upon the entire global ecosystem.

The most immediate consequence of deforestation is soil degradation. Soil, which is necessary for the growth of vegetation, can be a fragile and vital property. Organically, an extensive evolution process must take place before soil can produce vegetation, yet at the same time, the effects of natural elements, such as wind and rain, can easily and quickly degrade this resource. This phenomenon is known as soil erosion. In addition, natural elements like wind and rain reduce the amount of fertile soil on the ground, making soil scarcity a genuine problem. When fertile topsoil that already exists is removed from the landscape in the process of deforestation, soil scarcity is further exacerbated. Equally significant is the fact that once land has been cleared so that the topsoil can be cultivated for crop production, not only are the nutrient reserves in the soil depleted, thus producing crops of inferior quality, but the soil structure itself becomes stressed and deteriorates further.

Another direct result of deforestation is flooding. When forests are cleared, removing the cover of vegetation, and rainfall occurs, the flow of water increases across the surface of land. When extensive water runoff takes place, the frequency and intensity of flooding increases. Other adverse effects of deforestation include the loss of wildlife and biodiversity within the ecosystem that supports such life forms.

At a broader level, tropical rainforests play a vital role in maintaining the global environmental system. Specifically, destruction of tropical rainforests affects the carbon dioxide cycle. When forests are destroyed by burning (or rotting), carbon dioxide is released into the air, thus contributing to an intensified "greenhouse effect." The increase in greenhouse gas emissions like carbon dioxide is a major contributor to global warming, according to many environmental scientists. Indeed, trees themselves absorb carbon dioxide in the process of photosynthesis, so their loss also reduces the absorption of greenhouse gases.

Tropical rainforest destruction also adversely affects the nitrogen cycle. Nitrogen is a key nutrient for both plants and animals. Plants derive nitrogen from soil, while animals obtain it via nitrogenenriched vegetation. This element is essential for the formation of amino acids, and thereby for proteins and biochemicals that all living things need for metabolism and growth. In the nitrogen cycle, vegetation acquires these essential proteins and biochemicals, and then cyclically returns them to the atmosphere and global ecosystem. Accordingly, when tropical rainforest ecosystems are compromised, not only is vegetation removed; the atmosphere is also affected and climates are altered. At a more immediate level, the biodiversity within tropical rainforests, including wildlife and insect species and a wealth of plant varieties, is depleted. Loss of rare plants is of particular concern because certain species as yet unknown and unused could likely yield many practical benefits, for instance as medicines.

As a result of the many challenges associated with deforestation, many environmental groups and agencies have argued for government policies on the sustainable development of forests by governments across the globe. While many countries have instituted national policies and programs aimed at reducing deforestation, and substantial research has been advanced in regard to sustainable and regenerative forestry development, there has been very little progress on an international level. Generally speaking, most tropical rainforests are located in developing and less developed countries, where economic growth is often dependent upon the exploitation of tropical

rainforests. Timber resources as well as wildlife hunting tend to be particularly lucrative arenas.

In places such as the Amazon, where deforestation takes place for the construction of energy plants aimed at industrialization and economic development, there is an exacerbated effect on the environment. After forests are cleared in order to construct such projects, massive flooding usually ensues. The remaining trees then rot and decay in the wake of the flooding. As the trees deteriorate, their biochemical makeup becomes more acidic, producing poisonous substances such as hydrogen sulphide and methane gases. Acidified water subsequently corrodes the mechanical equipment and operations of the plants, which are already clogged by rotting wood after the floodwaters rise.

Deforestation generally arises from an economically plausible short-term motivation, but nonetheless poses a serious global concern because the effects go beyond national boundaries. The United Nations has established the World Commission on Forest and Sustainable Development. This body's task is to determine the optimal means of dealing with the issue of deforestation, without unduly affecting normal economic development, while emphasizing the global significance of protecting tropical forest ecosystems.

5. Water Resources

For all terrestrial fauna, including humans, water is the most immediate necessity to sustain life. As the population has increased and altered an ever-greater portion of the landscape from its natural condition, demand on water resources has intensified, especially with the development of industrialization and large-scale irrigation. The supply of freshwater is inherently limited, and moreover distributed unevenly across the earth's landmasses. Moreover, not just demand for freshwater but activities certain to degrade it are becoming more pervasive. By contrast, the oceans form a sort of "last wilderness," still little explored and in large part not seriously affected by human activity. However, coastal environments - the biologically richest part of the marine ecosystem-are experiencing major depletion due to human encroachment and over-exploitation.

Freshwater:

In various regions, for instance the Colorado River in the western <u>United States</u>, current withdrawals of river water for irrigation, domestic, and industrial use consume the entire streamflow so that almost no water flows into the sea at the river's mouth. Yet development is ongoing in many such places, implying continually rising demand for water. In some areas reliant on groundwater, aquifers are being depleted at a markedly faster rate than they are being replenished. An example is the San Joaquin Valley in California, where decades of high water withdrawals for agriculture have caused land subsidence of ten meters or more in some spots.

Naturally, the uncertainty of future water supplies is particularly acute in arid and semi-arid regions. Speculation that the phenomenon of global warming will alter geographic and seasonal rainfall patterns adds further uncertainty.

Water conservation measures have great potential to alleviate supply shortages. Some city water systems are so old and beset with leaking pipes that they lose as much water as they meter. Broad-scale irrigation could be replaced by drip-type irrigation, actually enhancing the sustainability of agriculture. In many areas where heavy irrigation has been used for decades, the result is deposition of salts and other chemicals in the soil such that the land becomes unproductive for farming and must be abandoned.

Farming is a major source of water pollution. Whereas restrictions on industrial effluents and other "point sources" are relatively easy to implement, comparable measures to reform hydraulic practices at farms and other "nonpoint sources" pose a significantly knottier challenge. Farm-caused water pollution takes the following main forms:

- Nitrate pollution found in wells in intensive farming areas as a consequence of heavy fertilizer use is a threat to human health. The most serious danger is to infants, who by ingesting high-nitrate water can contract methemoglobinemia, sometimes called "blue baby syndrome," a potentially fatal condition.

- Fertilizer runoff into rivers and lakes imparts unwanted nutrients that cause algae growth and eventual loss of oxygen in the body of water, degrading its ability to support fish and other desirable aquatic life.

- Toxic agricultural chemicals - insecticides, herbicides, and fungicides - are detectable in some aquifers and waterways.

In general, it is much easier to get a pollutant into water than to retrieve it out. Gasoline additives, dry cleaning chemicals, other industrial toxins, and in a few areas radionucleides have all been found in water sources intended for human use. The complexity and long time scale of subterranean hydrological movements essentially assures that pollutants already deposited in aquifers will continue to turn up for decades to come. Sophisticated water treatment processes are available, albeit expensive, to reclaim degraded water and render it fit for human consumption. Yet source protection is unquestionably a more desirable alternative.

In much of the developing world, and even some low-income rural enclaves of the developed world, the population lacks ready access to safe water. Surface water and shallow groundwater supplies are susceptible to contamination from untreated wastewater and failing septic tanks, as well as chemical hazards. The occurrence of waterborne disease is almost certainly greatly underreported.

Marine Resources:

Coastal areas have always been desirable places for human habitation, and population pressure on them continues to increase. Many types of water degradation that affect lakes and rivers also affect coastal zones: industrial effluents, untreated or partially treated sewage, nutrient load from agriculture figure prominently in both cases. Prospects for more extreme storms as a result of global warming, as well as the pervasiveness of poorly planned development in many coastal areas, forebode that catastrophic hurricanes and landslides may increase in frequency in the future. Ongoing rise in sea levels will force remedial measures and in some cases abandonment of currently valuable coastal property.

Fisheries over much of the globe have been overharvested, and immediate conservation measures are required to preserve stocks of many species. Many governments subsidized factory-scale fishing fleets in the 1970s and 1980s, and the resultant catch increase evidently surpassed a sustainable level. It is uncertain how much of the current decline in fish stocks stems from overharvesting and how much from environmental pollution. The deep ocean remains relatively unaffected by human activity, but continental shelves near coastlines are frequently seriously polluted, and these close-to-shore areas are the major biological nurseries for food fish and the smaller organisms they feed on.

<u>6. Environmental Toxins</u>

Toxic chemical pollution exploded on the public consciousness with disclosure of spectacularly polluted industrial areas such as Love Canal near Buffalo, New York. There is no question that pollutants such as organophosphates or radionucleides can be highly deleterious to health, but evidence to date suggests that seriously affected areas are a localized rather than universal problem.

While some explore the possibilities for a lifestyle that fully eschews use of modern industrial chemicals, the most prevalent remediative approach is to focus on more judicious use. The most efficient chemical plants are now able to contain nearly all toxic byproducts of their production processes within the premises, minimizing the release of such substances into the environment. Techniques such as Integrated Pest Management (IPM) dictate limited rather than broadcast use of pesticides: application only when needed using the safest available chemical, supplemented as much as possible with nontoxic controls.

While heightened public awareness and growing technical sophistication suggest a hopeful outlook on limiting the damage from manmade environmental toxins, one must grant that previous incidents of their misuse and mishandling have already caused environmental damage that will have to be dealt with for many years to come. In the case of the most hazardous radioactive substances, the time scale for successful remediation actually extends beyond that of the recorded history of civilization. Moreover, in this era of high population density and rapid economic growth, quotidian activities such as the transport of chemicals will occasionally, seemingly inevitably result in accidents with adverse environmental consequences.

7. "Islandization" and Biodiversity

With increased awareness regarding the adverse effects of unregulated hunting and habitat depletion upon wildlife species and other aspects of biodiversity, large-scale efforts across the globe have been initiated to reduce and even reverse this trend.

In every region of the world, many species of wildlife and areas of biodiversity have been saved from extinction. Nationally, many countries have adopted policies aimed at preservation and conservation of species, and one of the most tangible measures has been the proliferation of protected habitats. Such habitats exist in the form of wildlife reserves, marine life reserves, and other such areas where biodiversity can be protected from external encroachment and exploitation.

Despite these advances in wildlife and biodiversity protection, further and perhaps more intractable challenges linger. Designated reserves, while intended to prevent further species decline, exist as closed territories, fragmented from other such enclaves and disconnected from the larger ecosystem. This environmental scenario is referred to as "islandization." Habitat reserves often serve as oversized zoos or game farms, with landscapes and wildlife that have effectively been "tamed" to suit. Meanwhile, the larger surrounding ecosystem continues to be seriously degraded and transformed, while within the islandized habitat, species that are the focus of conservation efforts may not have sufficient range and may not be able to maintain healthy genetic variability.

As a consequence, many conservationists and preservationists have demanded that substantially larger portions of land be withheld as habitat reserves, and a network of biological corridors to connect continental reserves be established. While such efforts to combat islandization have considerable support in the <u>United States</u>, how precisely such a program would be instituted, especially across national boundaries, remains a matter of debate. International conservationists and preservationists say without a network of reserves a massive loss of biodiversity will result.

The concept of islandization illustrates why conservation and preservation of wildlife and biodiversity must consider and adopt new, broader strategies. In the past, conservation and preservation efforts have been aimed at specific species, such as the spotted owl and grizzly bear in North America, the Bengal tiger in Southeast Asia, the panda in <u>China</u>, elephants in Africa. Instead, the new approach is to simultaneously protect many and varied species that inhabit the same ecosystem. This method, referred to as "bio-regional conservation," may more efficaciously

generate longer-term and more far-reaching results precisely because it is aimed at preserving entire ecosystems, and all the living things within.

More About Biodiversity Issues:

This section is directly taken from the United Nations Environmental Program: "Biodiversity Assessment"

The Global Biodiversity Assessment, completed by 1500 scientists under the auspices of United Nations Environmental Program in 1995, updated what is known (or unknown) about global biological diversity at the ecosystem, species and genetic levels. The assessment was uncertain of the total number of species on Earth within an order of magnitude. Of its working figure of 13 million species, only 13 percent are scientifically described. Ecological community diversity is also poorly known, as is its relationship to biological diversity, and genetic diversity has been studied for only a small number of species. The effects of human activities on biodiversity have increased so greatly that the rate of species extinctions is rising to hundreds or thousands of times the background level. These losses are driven by increasing demands on species and their habitats, and by the failure of current market systems to value biodiversity adequately. The Assessment calls for urgent action to reverse these trends.

There has been a new recognition of the importance of protecting marine and aquatic biodiversity. The first quantitative estimates of species losses due to growing coral reef destruction predict that almost 200,000 species, or one in five presently contributing to coral reef biodiversity, could die out in the next 40 years if human pressures on reefs continue to increase.

Since Rio, many countries have improved their understanding of the status and importance of their biodiversity, particularly through biodiversity country studies such as those prepared under the auspices of UNEP/GEF. The <u>United Kingdom</u> identified 1250 species needing monitoring, of which 400 require action plans to ensure their survival. Protective measures for biodiversity, such as legislation to protect species, can prove effective. In the USA, almost 40 percent of the plants and animals protected under the Endangered Species Act are now stable or improving as a direct result of recovery efforts. Some African countries have joined efforts to protect threatened species through the 1994 Lusaka Agreement, and more highly migratory species are being protected by specialized cooperative agreements among range states under the Bonn Agreement.

There is an emerging realization that a major part of conservation of biological diversity must take place outside of protected areas and involve local communities. The extensive agricultural areas occupied by small farmers contain much biodiversity that is important for sustainable food production. Indigenous agricultural practices have been and continue to be important elements in the maintenance of biodiversity, but these are being displaced and lost. There is a new focus on the interrelationship between agrodiversity conservation and sustainable use and development practices in smallholder agriculture, with emphasis on use of farmers' knowledge and skills as a source of information for sustainable farming.

Perhaps even more important than the loss of biodiversity is the transformation of global biogeochemical cycles, the reduction in the total world biomass, and the decrease in the biological productivity of the planet. While quantitative measurements are not available, the eventual economic and social consequences may be so significant that the issue requires further attention.

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Uitto, Juha I., and Akiko Ono (eds). 1996. Population, Land Management and Environmental Change. The United Nations University, Tokyo.

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Online resources used generally in the Environmental Overview:

Environmental Protection Agency Global Warming Site. URL: http://www.epa.gov/globalwarming

Food and Agriculture Organization of United Nations: Forestry. URL: <u>http://www.fao.org/forestry/site/sofo/en/</u>

Global Warming Information Page. URL: <u>http://globalwarming.org</u>

United Nations Environmental Program. URL: <u>http://www.unep.org/GEO/GEO_Products/Assessment_Reports/</u>

United Nations Global Environmental Outlook. URL: http://www.unep.org/geo/geo4/media/

Note on Edition Dates:

The edition dates for textual resources are noted above because they were used to formulate the original content. We also have used online resources (cited above) to update coverage as needed.

Information Resources

For more information about environmental concepts, CountryWatch recommends the following resources:

The United Nations Environmental Program Network (with country profiles)

<http://www.unep.net/>

The United Nations Environment Program on Climate Change

<http://climatechange.unep.net/>

The United Nations Environmental Program on Waters and Oceans

<http://www.unep.ch/earthw/Pdepwat.htm>

The United Nations Environmental Program on Forestry: "Forests in Flux"

<http://www.unep-wcmc.org/forest/flux/homepage.htm>

FAO "State of the World's Forests"

<http://www.fao.org/forestry/FO/SOFO/SOFO99/sofo99-e.stm>

World Resources Institute.

Harvard University Center for Health and the Global Environment

<http://www.med.harvard.edu/chge/the-review.html>

The University of Wisconsin Center for Sustainability and the Global Environment

http://sage.aos.wisc.edu/

International Environmental Agreements and Associations

International Policy Development in Regard to Global Warming:

Introduction

Regardless of what the precise nature of the relationship between greenhouse gas emissions and

global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.

2. To ensure and enable sustainable development and food production on a global scale.

Following are two discussions regarding international policies on the environment, followed by listings of international accords.

Special Entry: The Kyoto Protocol

The UNFCCC was adopted at the Rio Earth Summit in 1992, and entered into force in 1994. Over 175 parties were official participants.

Meanwhile, however, many of the larger, more industrialized nations failed to reach the emissions' reduction targets, and many UNFCCC members agreed that the voluntary approach to reducing emissions had not been successful. As such, UNFCCC members reached a consensus that legally binding limits were necessitated, and agreed to discuss such a legal paradigm at a meeting in Kyoto, Japan in 1997. At that meeting, the UNFCCC forged the Kyoto Protocol. This concord is the first legally binding international agreement that places limits on emissions from industrialized countries. The major greenhouse gas emissions addressed in the Kyoto Protocol include carbon dioxide, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and methane.

The provisions of the Kyoto Protocol stipulate that economically advanced nations must reduce their combined emissions of greenhouse gases, by approximately five percent from their 1990 levels, before the 2008-2010 deadline. Countries with the highest carbon dioxide emissions, such as the <u>United States</u> (U.S.), many of the European Union (EU) countries, and <u>Japan</u>, are to reduce emissions by a scale of 6 to 8 percent. All economically advanced nations must show "demonstrable progress" by 2005. In contrast, no binding limits or timetable have been set on developing countries. Presumably, this distinction is due to the fact that most developing countries - with the obvious exceptions of <u>India</u> and <u>China</u> -- simply do not emit as many greenhouse gases

as do more industrially advanced countries. Meanwhile, these countries are entrenched in the process of economic development.

Regardless of the aforementioned reasoning, there has been strong opposition against the asymmetrical treatment assigned to emissions limits among developed and developing countries. Although this distinction might be regarded as unfair in principle, associations such as the Alliance of Small Island States have been vocal in expressing how global warming -- a result of greenhouse gas emissions - has contributed to the rise in sea level, and thus deleteriously affected their very existence as island nation states. For this reason, some parties have suggested that economically advanced nations, upon returning to their 1990 levels, should be required to further reduce their greenhouse gas emissions by a deadline of 2005. In response, interested parties have observed that even if such reductions were undertaken by economically advanced nations, they would not be enough to completely control global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming.

As such, the Protocol established a "Clean Development Mechanism" which permits developed countries to invest in projects aimed at reducing emissions within developing countries in return for credit for the reductions. Ostensibly, the objective of this mechanism is to curtail emissions in developing countries without unduly penalizing them for their economic development. Under this model, the countries with more potential emissions credits could sell them to other signatories of the Kyoto Protocol, whose emissions are forecast to significantly rise in the next few years. Should this trading of emissions credits take place, it is estimated that the Kyoto Protocol's emissions targets could still be met.

In 1999, the International Energy Outlook projected that Eastern Europe, the former Soviet Union and Newly Independent States, as well as parts of Asia, are all expected to show a marked decrease in their level of energy-related carbon emissions in 2010. Nations with the highest emissions, specifically, the U.S., the EU and Japan, are anticipated to reduce their emissions by up to 8 percent by 2012. By 2000, however, the emissions targets were not on schedule for achievement. Indeed, the U.S. Department of Energy estimates forecast that by 2010, there will be a 34 percent increase in carbon emissions from the 1990 levels, in the absence of major shifts in policy, economic growth, energy prices, and consumer trends. Despite this assessment in the U.S., international support for the Kyoto Protocol remained strong, especially among European countries and island states, who view the pact as one step in the direction away from reliance on fossil fuels and other sources of greenhouse gases.

In 2001, U.S. President, George W. Bush, rejected his country's participation in the Kyoto Protocol, saying that the costs imposed on the global economic system, and especially, on the US, overshadowed the benefits of the Protocol. He also cited the unfair burden on developed nations to

reduce emissions, as another primary reasons for withdrawal from the international pact, as well as insufficient evidence regarding the science of global warming. Faced with impassioned international disapproval for his position, the U.S. president stated that his administration remained interested in dealing with the matter of global warming, but would endorse alternative measures to combat the problem, such as voluntary initiatives limiting emissions. Critics of Bush's position, however, have noted that it was the failure of voluntary initiatives to reduce emissions following the Rio Summit that led to the establishment of the Kyoto Protocol in the first place.

In the wake of the Bush administration's decision, many participant countries resigned themselves to the reality that the goals of the Kyoto Protocol might not be achieved without U.S. involvement. Nevertheless, in Bonn, <u>Germany</u>, in July 2001, the remaining participant countries struck a political compromise on some of the key issues and sticking points, and planned to move forward with the Protocol, irrespective of the absence of the U.S. The key compromise points included the provision for countries to offset their targets with carbon sinks (these are areas of forest and farmland which can absorb carbon through the process of photosynthesis). Another compromise point within the broader Bonn Agreement was the reduction of emissions cuts of six gases from over 5 percent to a more achievable 2 percent. A third key change was the provision of funding for less wealthy countries to adopt more progressive technologies.

In late October and early November 2001, the UNFCC's 7th Conference of the Parties met in Marrakesh, <u>Morocco</u>, to finalize the measures needed to make the Kyoto Protocol operational. Although the UNFCC projected that ratification of the Protocol would make it legally binding within a year, many critics noted that the process had fallen short of implementing significant changes in policy that would be necessary to actually stop or even slow climate change. They also maintained that the absence of U.S. participation effectively rendered the Protocol into being a political exercise without any substance, either in terms of transnational policy or in terms of environmental concerns.

The adoption of the compromises ensconced within the Bonn Agreement had been intended to make the provisions of the Kyoto Protocol more palatable to the U.S. In this regard, it failed to achieve its objective as the Bush administration continued to eschew participation in the international accord. Still, however, the Bonn Agreement did manage to render a number of other positive outcomes. Specifically, in 2002, key countries, such as <u>Russia</u>, <u>Japan</u> and <u>Canada</u> agreed to ratify the protocol, bringing the number of signatories to 178. The decision by key countries to ratify the protocol was regarded as "the kiss of life" by observers.

By 2005, on the eve of a climate change conference in London, British Prime Minister Tony Blair was hoping to deal with the problems of climate change beyond the provisions set forth in the Kyoto Protocol. Acknowledging that the Kyoto Protocol could not work in its current form, Blair wanted to open the discussion for a new climate change plan.

Blair said that although most of the world had signed on to Kyoto, the protocol could not meet any of its practical goals of cutting greenhouse gas emissions without the participation of the United States, the world's largest polluter. He also noted that any new agreement would have to include India and China -- significant producers of greenhouse gas emissions, but exempt from Kyoto because they have been classified as developing countries. Still, he said that progress on dealing with climate change had been stymied by "a reluctance to face up to reality and the practical action needed to tackle problem."

Blair also touted the "huge opportunities" in technology and pointed toward the possibilities offered by wind, solar and nuclear power, along with fuel cell technology, eco-friendly biofuels, and carbon capture and storage which could generate low carbon power. Blair also asserted that his government was committed to achieving its domestic goal of reducing carbon dioxide emissions by 20 percent by 2010.

In the United States, President George W. Bush has said that global warming remained a debatable issue and despite conclusions reached by his own Environmental Protection Agency, he has not agreed with the conclusion that global warming and climate change are linked with human activities. Bush has also refused to ratify Kyoto on the basis of its economic costs.

Australia, an ally of the United States, has taken a similarly dim view of the Kyoto Protocol. Ahead of the November 2005 climate change meeting in Canada in which new goals for the protocol were to be discussed, Australia's Environment Minister, Ian Campbell, said that negotiating new greenhouse gas emission levels for the Kyoto Protocol would be a waste of time. Campbell said, "There is a consensus that the caps, targets and timetables approach is flawed. If we spend the next five years arguing about that, we'll be fiddling and negotiating while Rome burns." Campbell, like the Bush administration, has also advocated a system of voluntary action in which industry takes up new technologies rather than as a result of compelling the reduction of emissions. But the Australian Conservation Foundation (ACF) has called on its government to ratify the Kyoto Protocol, to establish a system of emissions trading, and to set binding limits on emissions target by 2012 (an 8 percent increase in 1990 levels in keeping with the country's reliance on coal). But this success has nothing to do with new technologies and is due to state-based regulations on land clearing.

Note: The Kyoto Protocol calls for developed nations to cut greenhouse emissions by 5.2 percent of 1990 levels by 2012.

Special Entry: Climate Change Summit in Copenhagen (2009) --

In December 2009, the United Nations Climate Change Summit opened in the Danish capital of

Copenhagen. The summit was scheduled to last from Dec. 7-18, 2009. Delegates from more than 190 countries were in attendance, and approximately 100 world leaders, including British Prime Minister Gordon Brown and <u>United States</u> President Barack Obama, were expected to participate. At issue was the matter of new reductions targets on greenhouse gas emissions by 2020.

Despite earlier fears that little concurrence would come from the conference, effectively pushing significant actions forward to a 2010 conference in <u>Mexico</u> City, negotiators were now reporting that the talks were productive and several key countries, such as <u>South Africa</u>, had pledged to reduce greenhouse gas emissions. The two main issues that could still lead to cleavages were questions of agreement between the industrialized countries and the developing countries of the world, as well as the overall effectiveness of proposals in seriously addressing the perils of climate change.

On Dec. 9, 2009, four countries -- the <u>United Kingdom</u>, <u>Australia</u>, <u>Mexico</u> and <u>Norway</u> -- presented a document outlining ideas for raising and managing billions of dollars, which would be intended to help vulnerable countries dealing with the perils of climate change. Described as a "green fund," the concept could potentially help small island states at risk because of the rise in sea level. <u>Bangladesh</u> identified itself as a potential recipient of an assistance fund, noting that as a country plagued by devastating floods, it was particularly hard-hit by climate change. The "green fund" would fall under the rubric of the United Nations Framework Convention on Climate Change, for which developed countries have been committed to quantifying their emission reduction targets, and also to providing financial and technical support to developing countries.

The <u>United Kingdom</u>, <u>Australia</u>, <u>Mexico</u> and <u>Norway</u> also called for the creation of a new legal treaty that would replace the Kyoto Protocol. This new treaty, which could go into force in 2012, would focus largely on the reduction of greenhouse gas emissions by 2020. But <u>Australia</u> went even further in saying that the successor treaty to the Kyoto Protocol, should be one with provisions covering all countries. Such a move would be a departure from the structure of the Kyoto Protocol, which contained emissions targets for industrialized countries due to the prevailing view that developed countries had a particular historic responsibility to be accountable for climate change. More recently, it has become apparent that substantial reductions in greenhouse gas emissions demanded by scientists would only come to pass with the participation also of significant developing nation states, such as <u>China</u> and <u>India</u>. Indeed, one of the most pressing critiques of the Kyoto Protocol was that it was a "paper tiger" that failed to address the impact of the actions of emerging economies like <u>China</u> and <u>India</u>, with its focus on the developed economies.

Now, in 2009, <u>China</u> -- as the world's biggest greenhouse gas emitter -- was responding this dubious distinction by vocalizing its criticism of the current scenario and foregrounding its new commitments. Ahead of the Copenhagen summit, <u>China</u> had announced it would reduce the intensity of its carbon emissions per unit of its GDP in 2020 by 40 to 45 percent against 2005 levels. With that new commitment at hand, <u>China</u> was now accusing the <u>United States</u> and the European Union of shirking their own responsibilities by setting weak targets for greenhouse gas

emissions cuts. Senior Chinese negotiator, Su Wei, characterized the goals of the world's second largest greenhouse gas emitter -- the <u>United States</u> -- as "not notable," and the European Union's target as "not enough." Su Wei also took issue with <u>Japan</u> for setting implausible preconditions.

On Dec. 11, 2009, <u>China</u> demanded that developed and wealthy countries in Copenhagen should help deliver a real agreement on climate change by delivering on their promises to reduce carbon emissions and provide financial support for developing countries to adapt to global warming. In so doing, China's Vice Foreign Minister He Yafei said his country was hoping that a "balanced outcome" would emerge from the discussions at the summit. Echoing the position of the Australian government, He Yafei spoke of a draft agreement as follows: "The final document we're going to adopt needs to be taking into account the needs and aspirations of all countries, particularly the most vulnerable ones."

China's Vice Foreign Minister emphasized the fact that climate change was "a matter of survival" for developing countries, and accordingly, such countries need wealthier and more developed countries to accentuate not only their pledges of emissions reduction targets, but also their financial commitments under the aforementioned United Nations Framework Convention on Climate Change. To that end, scientists and leaders of small island states in the Indian Ocean, the Pacific Ocean and the Caribbean Sea, have highlighted the existential threat posed by global warming and the concomitant rise in sea level.

China aside, attention was also on India -- another major player in the developing world and a country with an industrializing economy that was impacting the environment. At issue was the Indian government's decision to set a carbon intensity target, which would slow emissions growth by up to 25 percent by the 2020 deadline. This strong position was resisted by some elements in India, who argued that their country should not be taking such a strong position when developed wealthy countries were yet to show accountability for their previous commitments to reduce greenhouse gas emissions. The matter grew so heated that the members of the opposition stormed out of the parliament in protest as Indian Environment Minister Jairam Ramesh defended the policy. But the political pressure at home in India was leaving the Indian delegation in Copenhagen in a state of chaos as well. In fact, India's top environmental negotiator refused to travel to Copenhagen in protest of the government's newly-announced stance.

China and India were joined by Brazil and South Africa in the crafting of a draft document calling for a new global climate treaty to be completed by June 2010. Of concern has been the realization that there was insufficient time to find concurrence on a full legal treaty, which would leave countries only with a politically-binding text by the time the summit at Copenhagen closed. But Guyana's leader, President Bharrat Jagdeo, warned that the summit in Denmark would be classified as a failure unless a binding document was agreed upon instead of just political consensus. He urged his cohorts to act with purpose saying, "Never before have science, economics, geo-strategic self-interest and politics intersected in such a way on an issue that impacts

everyone on the planet."

Likewise, <u>Tuvalu</u> demanded that legally binding agreements emerge from Copenhagen. Its proposal was supported by many of the vulnerable countries, from small island states and sub-Saharan Africa, all of whom warned of the catastrophic impact of climate change on their citizens. <u>Tuvalu</u> also called for more aggressive action, such as an amendment to the 1992 agreement, which would focus on sharp greenhouse gas emissions and the accepted rise in temperatures, due to the impact the rise in seas. The delegation from <u>Kiribati</u> joined the call by drawing attention to the fact that one village had to be abandoned due to waist-high water, and more such effects were likely to follow. Kiribati's Foreign Secretary, Tessie Lambourne, warned that the people of <u>Kiribati</u> could well be faced with no homeland in the future saying, "Nobody in this room would want to leave their homeland." But despite such impassioned pleas and irrespective of warnings from the Intergovernmental Panel on Climate Change that the rise in sea level from melting polar ice caps would deleteriously affect low-lying atolls such as such as <u>Tuvalu</u> and <u>Kiribati</u> in the Pacific, and the <u>Maldives</u> in the Indian Ocean, the oil-giant <u>Saudi Arabia</u> was able to block this move.

Meanwhile, within the developed countries, yet another power struggle was brewing. The European Union warned it would only agree to raise its target of 20 percent greenhouse gas emissions reductions to 30 percent if the <u>United States</u> demonstrated that it would do more to reduce its own emissions. It was unknown if such pressure would yield results. <u>United States</u> President Barack Obama offered a "provisional" 2020 target of 17 percent reductions, noting that he could not offer greater concessions at Copenhagen due to resistance within the <u>United States</u> Congress, which was already trying to pass a highly controversial "cap and trade" emissions legislation. However, should that emissions trading bill fail in the Senate, the <u>United States</u> Environment Protection Agency's declaration that greenhouse gases pose a danger to human health and the environment was expected to facilitate further regulations and limits on power plants and factories at the national level. These moves could potentially strengthen the Obama administration's offering at Copenhagen. As well, President Obama also signaled that he would be willing to consider the inclusion of international forestry credits.

Such moves indicated willingness by the Obama administration to play a more constructive role on the international environmental scene than its predecessor, the Bush administration. Indeed, ahead of his arrival at the Copenhagen summit, President Barack Obama's top environmental advisors promised to work on a substantial climate change agreement. To that end, <u>United States</u> Environmental Protection Agency Administrator Lisa Jackson said at a press conference, "We are seeking robust engagement with all of our partners around the world." But would this pro-engagement assertion yield actual results?

By Dec. 12, 2009, details related to a draft document prepared by Michael Zammit Cutajar, the head of the Ad-hoc Working Group on Long-Term Cooperative Action, were released at the

Copenhagen climate conference. Included in the document were calls for countries to make major reductions in carbon emissions over the course of the next decade. According to the Washington Post, industrialized countries were called on to make cuts of between 25 percent and 40 percent below 1990 levels -- reductions that were far more draconian than the <u>United States</u> was likely to accept. As discussed above, President Obama had offered a provisional reduction target of 17 percent. The wide gap between the released draft and the United States' actual stated position suggested there was much more negotiating in the offing if a binding agreement could be forged, despite the Obama administration's claims that it was seeking greater engagement on this issue.

In other developments, the aforementioned call for financial support of developing countries to deal with the perils of climate change was partly answered by the European Union on Dec. 11, 2009. The European bloc pledged an amount of 2.4 billion euros (US\$3.5 billion) annually from 2010 to 2012. Environment Minister Andreas Carlgren of <u>Sweden</u> -- the country that holds the rotating presidency of the European Union at the time of the summit -- put his weight behind the notion of a "legally binding deal." Meanwhile, Yvo de Boer, a top United Nations climate change official, focused less on the essence of the agreement and more on tangible action and effects saying, "Copenhagen will only be a success if it delivers significant and immediate action that begins the day the conference ends."

The division between developed and developing countries in Copenhagen reached new heights on Dec. 14, 2009, when some of the poor and less developed countries launched a boycott at the summit. The move, which was spurred by African countries but backed by <u>China</u> and <u>India</u>, appeared to be geared toward redirecting attention and primary responsibility to the wealthier and more industrialized countries. The impasse was resolved after the wealthier and more industrialized countries offered assurances that they did not intend on shirking from their commitments to reducing greenhouse gases. As a result, the participating countries ceased the boycott.

Outside the actual summit, thousands of protestors had gathered to demand crucial global warming, leading to clashes between police and demonstrators elsewhere in the Danish capital city. There were reports of scattered violence across Copenhagen and more than 1,000 people were arrested.

Nevertheless, by the second week of the climate change summit, hopes of forging a strong deal were eroding as developed and developing nations remained deadlocked on sharing cuts in greenhouse gases, and particularly on the matters of financing and temperature goals. In a bid to shore up support for a new climate change, <u>United States</u> President Barack Obama joined other world leaders in Copenhagen. On Dec. 14, 2009, there was a standoff brewing between the <u>United States</u> and <u>China</u>. At issue was China's refusal to accept international monitoring of its expressed targets for reducing greenhouse gas emissions. The <u>United States</u> argued that China's opposition to verification could be a deal-breaker.

By the close of the summit, the difficult process eventually resulted in some consensus being cultivated. A draft text called for \$100 billion a year by 2020 to assist poor nations cope with climate change, while aiming to limit global warming to two degrees Celsius compared with preindustrial levels. The deal also included specific targets for developed countries to reduce greenhouse gas emissions, and called for reductions by developing countries as a share of their economies. Also included in the agreement was a mechanism to verify compliance. The details of the agreement were supported by President Barack Obama, Chinese Premier Wen Jiabao, Indian Prime Minister Manmohan Singh and Brazilian President Luiz Inacio Lula da Silva.

This draft would stand as an interim agreement, with a legally-binding international pact unlikely to materialize until 2010. In this way, the summit in Copenhagen failed to achieve its central objective, which was to negotiate a successor to the Kyoto Protocol on greenhouse gas emissions.

Editor's Note

In the background of these developments was the growing global consciousness related to global warming and climate change. Indeed, as the Copenhagen summit was ongoing, it was clear there was enormous concurrence on the significance of the stakes with an editorial on the matter of climate change being published in 56 newspapers in 45 countries. That editorial warned that without global action, climate change would "ravage our planet." Meanwhile, a global survey taken by Globescan showed that concern over global warming had exponentially increased from 1998 -- when only 20 percent of respondents believed it to be a serious problem -- to 64 percent in 2009. Such survey data, however, was generated ahead of the accusations by climate change skeptics that some climate scientists may have overstated the case for global warming, based on emails derived in an illicit manner from a British University.

Special Entry: Climate change talks in Doha in *Qatar* extend life of Kyoto Protocol (2012)

December 2012 saw climate talks ensue in the Qatari city of Doha as representatives from countries across the world gathered to discuss the fate of the Kyoto Protocol, which seeks to minimize greenhouse gas emissions. The summit yielded results with decisions made (1) to extend the Kyoto Protocol until 2020, and (2) for wealthier countries to compensate poorer countries for the losses and damage incurred as a result of climate change.

In regards to the second matter, Malia Talakai of <u>Nauru</u>, a leading negotiator for the Alliance of Small Island States, explained the necessity of the compensation package as follows: "We are trying to say that if you pollute you must help us."

This measure was being dubbed the "Loss and Damage" mechanism, and was being linked with <u>United States</u> President Barack Obama's request for \$60 billion from Congress to deal with the

devastation caused by Hurricane Sandy months before. The sight of a hurricane bearing down on the northern Atlantic seaboard, along with the reality of the scope of reconstruction, appeared to have illustrated the economic costs of climate change -- not so much as a distant environmental issue -- but as a danger to the quotidian lives of people. Still, there was blame to be placed on the <u>United States</u> and European countries -- some of world's largest emitters -- for failing to do more to reduce emissions.

To that latter end, there was in fact little progress made on the central issue of reducing greenhouse gas emissions. Had those emissions been reduced, there would have been less of a need to financially deal with the devastation caused by climate change. One interpretation was that the global community was accepting the fact that industrialization was contributing to global warming, which had deleterious effects on the polar ice caps and concomitantly on the rise of sea level, with devastating effects for small island nations. Thus, wealthier countries were willing to pay around \$10 billion a year through 2020, effectively in "damages," to the poor countries that could be viewed as the "collateral damage" of industrial progress. But damages today could potentially be destruction tomorrow, leaving in place the existential challenges and burdens to be born by some of the world's smallest and least wealthy island countries.

Perhaps not surprisingly, the representative for the small island nation states at the Doha summit responded with ire, characterizing the lack of progress on reducing emissions as follows: "We see the package before us as deeply deficient in mitigation (carbon cuts) and finance. It's likely to lock us on the trajectory to a 3,4,5C rise in global temperatures, even though we agreed to keep the global average temperature rise of 1.5C to ensure survival of all islands. There is no new finance (for adapting to climate change and getting clean energy) -- only promises that something might materialize in the future. Those who are obstructive need to talk not about how their people will live, but whether our people will live."

Indeed, in most small island countries not just in the Pacific, but also the Caribbean and Indian Ocean, ecological concerns and the climate crisis have been dominant themes with dire life and death consequences looming in the background for their people. Small island nations in these region are already at risk from the rise of sea-level, tropical cyclones, floods. But their very livelihoods of fishing and subsistence farming were also at risk as a result of ecological and environmental changes. Increasingly high storm surges can wipe out entire villages and contaminate water supplies. Accordingly, the very existence of island nations, such as Kiribati and Tuvalu, are at severe risk of being obliterated from the map. Yet even with the existential threat of being wiped off the map in the offing, the international community has been either slow or restrictive in its efforts to deal with global warming, climate change, economic and ecological damage, as well as the emerging global challenge of environmental refugees.

A 2012 report from the United Nations Environment Program (UNEP) and the Pacific Regional Environment Program underlined the concerns of small island nations and their people as it

concluded that the livelihoods of approximately 10 million people in Pacific island communities were increasingly vulnerable to climate change. In fact, low-lying islands in that region would likely confront losses of up to 18 percent of gross domestic product due to climate change, according to the report. The report covers 21 countries and territories, including Fiji, Kiribati, Samoa and Tonga, and recommended environmental legislation intended to deal with the climate crisis facing the small island countries particularly. As noted by David Sheppard, the director general of the Pacific Regional Environment Program that co-sponsored this study: "The findings... emphasize the need more than ever to raise the bar through collective actions that address the region's environmental needs at all levels."

Regardless of the failures of the summit in <u>Qatar</u> (discussed above), the meeting did facilitate a process starting in 2015, which would bind both wealthy and poor countries together in the mission of forging a new binding treaty that would replace the Kyoto Protocol and tackle the central causes of climate change.

For more information on the threats faced in small island nations by climate change and the measures being undertaken to lobby for international action, please see the Alliance for Small Island States available online at the URL: http://aosis.org/

Special Report

COP 21 summit in Paris ends with historic agreement to tackle climate change; rare international consensus formed on environmental crisis facing the planet (2015) --

In mid-December 2015, the highly-anticipated United Nations climate conference of parties (COP) in Paris, France, ended with a historic agreement. In fact, it would very likely be understood as the most significant international agreement signed by all the recognized countries of the world since the Cold War. Accordingly, the Paris Agreement was being distinguished as the first multilateral pact that would compel all countries across the world to cut its carbon emissions -- one of the major causes of increasing greenhouse gas emissions, which contribute to global warming, and its deleterious effects ranging from the dangerous rise in sea level to catastrophic climate change.

The accord, which was dubbed to be the "Paris Agreement," was the work of rigorous diplomacy and fervent environmental advocacy, and it aimed to address the climate change crisis facing the planet. As many as 195 countries were represented in the negotiations that led to the landmark climate deal. Indeed, it was only after weeks of passionate debate that international concurrence was reached in addressing the environmental challenges confronting the world, with particular attention to moving beyond fossil fuels and reducing greenhouse gas emissions. The success of the COP 21 summit in Paris and the emergence of the landmark Paris Agreement was, to some extent, attributed to the efforts of France's Foreign Minister Laurent Fabius who presided over the negotiations. The French foreign minister's experience and credentials as a seasoned diplomat and respected statesman paid dividends. He skillfully guided the delegates from almost 200 countries and interest groups along the negotiations process, with ostensibly productive results and a reasonably robust deal to show for it.

On Dec. 12, 2015, French Foreign Minister Fabius officially adopted the agreement, declaring: "I now invite the COP to adopt the decision entitled Paris Agreement outlined in the document. Looking out to the room I see that the reaction is positive, I see no objections. The Paris agreement is adopted." Once Foreign Minister Fabius' gavel was struck, symbolically inaugurating the Paris Agreement into force, the COP delegate rushed to their feet with loud and bouyant cheers as well as thunderous applause.

In general, the Paris Agreement was being hailed as a victory for environmental activists and a triumph for international diplomats, while at the same time being understood as simply an initial -- and imperfect -- move in the direction of a sustainable future. China's chief negotiator, Xie Zhenhua, issued this message, saying that while the accord was not ideal, it should "not prevent us from marching historical steps forward."

United States President Barack Obama lauded the deal as both "ambitious" and "historic," and the work of strenuous multilateral negotiations as he declared, "Together, we've shown what's possible when the world stands as one." The <u>United States</u> leader acknowledged that the accord was not "perfect," but he reminded the critics that it was "the best chance to save the one planet we have. "

Former <u>United States</u> Vice President Al Gore, one of the world's most well known environmental advocates, issued a lengthy statement on the accompishments ensconced in the Paris Agreement. He highlighted the fact that the Paris Agreement was a first step towards a future with a reduced carbon footprint on Planet Earth as he said, "The components of this agreement -- including a strong review mechanism to enhance existing commitments and a long-term goal to eliminate global-warming pollution this century -- are essential to unlocking the necessary investments in our future. No agreement is perfect, and this one must be strengthened over time, but groups across every sector of society will now begin to reduce dangerous carbon pollution through the framework of this agreement."

The central provisions of the Paris Agreement included the following items:

Greenhouse gas emissions should peak as quickly as possible, with a move towards balancing energy sources, and ultimately the decrease of greenhouse gases in the second half of this century
Global temperature increase would be limited to 1.5 degrees Centigrade above pre-industrial levels and would be held "well below" the two degrees Centigrade threshold

- Progress on these goals would be reviewed every five years beginning in 2020 with new greenhouse gas reduction targets issued every five years

- \$100 billion would be expended each year in climate finance for developing countries to move forward with green technologies, with further climate financing to be advanced in the years beyond

It should be noted that there both legally binding and voluntary elements contained within the Paris Agreement. Specifically, the submission of an emissions reduction target and the regular review of that goal would be legally mandatory for all countries. Stated differently, there would be a system in place by which experts would be able to track the carbon-cutting progress of each country. At the same time, the specific targets to be set by countries would be determined at the discretion of the countries, and would not be binding. While there was some criticism over this non-binding element, the fact of the matter was that the imposition of emissions targets was believed to be a major factor in the failure of climate change talks in Copenhagen, Denmark, in 2009.

In 2015, the talks faced challenges as several countries, such as <u>China</u> and <u>India</u>, objected to conditions that would stymie economic and development. In order to avoid that kind of landmine, a system Intended Nationally Determined Contributions (INDCs) was developed and formed the basis of the accord. As such, the Paris Agreement would, in fact, facilitate economic growth and development, as well as technological progress, but with the goal of long-term ecological sustainability based on low carbon sources. In fact, the agreement heralded as "the beginning of the end of the fossil fuel era." As noted by Nick Mabey, the head of the climate diplomacy organization E3G, said, "Paris means governments will go further and faster to tackle climate change than ever before. The transition to a low carbon economy is now unstoppable, ensuring the end of the fossil fuel age."

A particular sticking point in the agreement was the \$100 billion earmarked for climate financing for developing countries to transition from traditional fossil fuels to green energy technologies and a low carbon future. In 2014, a report by the International Energy Agency indicated that the cost of that transition would actually be around \$44 trillion by the mid-century -- an amount that would render the \$100 billion being promised to be a drop in the proverbial bucket. However, the general expectation was that the Republican-controlled Senate in the <u>United States</u>, which would have to ratify the deal in that country, was not interested in contributing significant funds for the cause of climate change.

A key strength of the Paris Agreement was the ubiquitous application of measures to all countries. Of note was the frequently utilized concept of "flexibility" with regard to the Paris Agreement. Specifically, the varying capacities of the various countries in meeting their obligations would be anticipated and accorded flexibility. This aspect presented something of a departure from the 1997 Kyoto Protocol, which drew a sharp distinction between developed and developing countries, and mandated a different set of obligations for those categories of countries. Thus, under Kyoto, <u>China</u> and <u>India</u> were not held to the same standards as the <u>United States</u> and European countries. In the Paris Agreement, there would be commitments from all countries across the globe.

Another notable strength of the Paris Agreement was the fact that the countries of the world were finally able to reach consensus on the vital necessity to limit global temperature increases to 1.5 degrees Centrigrade. Ahead of the global consensus on the deal, and as controversy continued to surface over the targeted global temperature limits, the leaders of island countries were sounding the alarm about the melting of the Polar ice caps and the associated rise in seal level. Prime Minister Enele Sopoaga of <u>Tuvalu</u> issued this dismal reminder: "Tuvalu's future ... is already bleak and any further temperature increase will spell the total demise of <u>Tuvalu</u>. No leader in this room carries such a level of worry and responsibility. Just imagine you are in my shoes, what would you do?" It was thus something of a victory for environmental advocates that the countries of the world could find ensensus on the lower number -- 1.5 degrees rather than 2 degrees.

A significant weak point with regard to the Paris deal was a "loss and damage" provision, which anticipates that even with all the new undertakings intended to reduce greenhouse gas emissions and move to a low carbon future, there would nonetheless be unavoidable climate change consequences. Those consequences ranged from the loss of arable land for farmers as well as soil erosion and contamination of potable water by sea water, to the decimation of territory in coastal zones and on small islands, due to the rise in sea level, with entire small island countries being rendered entirely uninhabitable. The reality was that peoples' homes across the world would be destroyed along with their way of life.

With that latter catastrophic effect being a clear and present danger for small island countries, the Association of Small Island States (AOSIS) demanded that the developed world acknowledge its responsibility for this irreversible damage. Despite the fact that greenhouse gas emissions and the ensuing plague of global warming was, indeed, the consequence of development in the West (the <u>United States</u> and Europe) and the large power house countries, such as <u>Russia</u>, <u>China</u> and <u>India</u>, there was no appetite by those countries to sign on to unlimited liability. Under the Paris Agreement, there was a call for research on insurance mechanisms that would address loss and damage issues, with recommendations to come in the future.

The call for research was being regarded as an evasion of sorts and constituted the weakest aspect of the Paris Agreement. Not surprisingly, a coalition of small island nations demanded a "Marshall Plan" for the Pacific. Borrowing the term "Marshall Plan" from the post-World War II reconstruction effort, the coalition of Pacific island nation, which included <u>Kiribati</u>, <u>Tuvalu</u>, <u>Fiji</u>, and the <u>Marshall Islands</u>, called for an initiative that would include investment in renewable energy and shoreline protection, cultural preservation, economic assistance for economies in transition, and a plan for migration and resettlement for these countries as they confront the catastrophic effects of the melting of the Polar ice caps and the concomitant rise in sea level. The precise contours of the initiative remained unknown, unspecified, and a mere exercise in theory at the time of writing. Yet such an initiative would, at some point, have to be addressed, given the realities of climate change and the slow motion calamity unfolding each day for low-lying island nations across the world.

As noted by Vice President Greg Stone of Conservation International, who also functions as an adviser to the government of <u>Kiribati</u>, "Imagine living in a place where you know it's going to go away someday, but you don't know what day that wave's going to come over and wash your home away." He added, "It's a disaster we know is going to happen." Meanwhile, the intervening years promised to be filled with hardship for small island nations, such as <u>Kiribati</u>. Stone explained, "For every inch of sea-level rise, these islands lose 10 feet of their freshwater table to saltwater intrusion," Stone explained. "So it's not just about the day the water finally goes over the island; it's also about the day that there's just not enough water left and everyone has to move off the island." Presaging the future for island nations that could face submersion, Stone said, "If you look ahead 50 years, a country like <u>Kiribati</u> could become the first aqueous nation. possibility of migration. That is, they own this big patch of ocean, and they administer it from elsewhere."

Foreign Minister Minister Tony Debrum of the Marshall Islands emerged as the champion advocating on behalf of small island nation states and a loose coalition of concerned countries from the Pacific to the Caribbean, but with support from the <u>United States</u>. He addressed the comprehensive concerns of small island nations regarding the weaknesses of the deal, while simultaneously making clear that the Paris Agreement signified hope for the countries most at risk. In a formal statement, Debrum declared: "We have made history today. Emissions targets are still way off track, but this agreement has the tools to ramp up ambition, and brings a spirit of hope that we can rise to this challenge. I can go back home to my people and say we now have a pathway to survival." Debrum highlighted the imperatives of Pacific island nations, saying, "Our High Ambition Coalition was the lightning rod we needed to lift our sights and expectations for a strong agreement here in Paris. We were joined by countries representing more than half the world. We said loud and clear that a bare-bones, minimalist agreement would not fly. We instead demanded an agreement to mark a turning point in history, and the beginning of our journey to the post-carbon era."

Debrum of the <u>Marshall Islands</u> espoused the quintessential synopsis of the accord and its effects for those most likely to be affected by climate change as he noted, "Climate change won't stop overnight, and my country is not out of the firing line just yet, but today we all feel a little safer."

Editor's Entry on Environmental Policy:

The low-lying Pacific island nations of the world, including <u>Kiribati</u>, <u>Tuvalu</u>, the <u>Marshall Islands</u>, <u>Fiji</u>, among others, are vulnerable to the threats posed by global warming and cimate change</u>,

derived from carbon emissions, and resulting in the rise in sea level. Other island nations in the Caribbean, as well as poor countries with coastal zones, were also at particular risk of suffering the deleterious effects of climate change.

Political policy in these countries are often connected to ecological issues, which have over time morphed into an existential crisis of sorts. Indeed, ecological concerns and the climate crisis have also been dominant themes with life and death consequences for the people of island nations in the Pacific. Indeed, the very livelihoods of fishing and subsistence farming remain at risk as a result of ecological and environmental changes. Yet even so, these countries are threatened by increasingly high storm surges, which could wipe out entire villages and contaminate water supplies. Moreover, because these are low lying island nations, the sustained rise in sea level can potentially lead to the terrain of these countries being unihabitable at best, and submerged at worst. Stated in plain terms, these countries are at severe risk of being obliterated from the map and their plight illuminates the emerging global challenge of environmental refugees. In these manifold senses, climate change is the existential crisis of the contemporary era.

Since the time of the 1997 Kyoto Protocol, there have been efforts aimed at extending the life of that agreement, with an eye on minimizing greenhouse gas emissions, and thus minimizing the effects of climate change. Those endeavors have largely ended in failure, as exemplified by the unsuccessful Copenhagen talks in 2009 and the fruitless Doha talks in 2012 respectively. The success of the COP 21 talks in France, with the adoption of the landmark Paris Agreement in 2015, was regarded as the first glimmer of hope. Not only did the Paris Agreement signify the triumph of international diplomacy and global consensus, but it also marked the start of the end of the fossil fuel era, with the path forward toward a low carbon future reliant on greener technologies. Most crucially, the Paris Agreement stood as the first significant response in recent times to the central challenge of climate change and its quotidian effects on the lives of real human beings across the world.

<u>1. Major International Environmental Accords:</u>

General Environmental Concerns

Convention on Environmental Impact Assessment in a Transboundary Context, Espoo, 1991.

Accords Regarding Atmosphere

Annex 16, vol. II (Environmental Protection: Aircraft Engine Emissions) to the 1044 Chicago Convention on International Civil Aviation, Montreal, 1981

Convention on Long-Range Transboundary Air Pollution (LRTAP), Geneva, 1079

United Nations Framework Convention on Climate Change (UNFCCC), New York, 1002

Vienna Convention for the Protection of the Ozone Layer, Vienna, 1985 including the Montreal Protocol on Substances that Depleted the Ozone Layer, Montreal, 1987

Accords Regarding Hazardous Substances

Convention on the Ban of the Import into Africa and the Control of Transboundary Movements and Management of Hazardous Wastes within Africa, Bamako, 1991

Convention on Civil Liability for Damage Caused during Carriage of Dangerous Goods by Road, Rail and Inland Navigation Vessels (CRTD), Geneva, 1989

Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention), Basel, 1989

Convention on the Transboundary Effects of Industrial Accidents, Helsinki, 1992

Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the South Pacific Region (Waigani Convention), Waigani, 1995

European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR), Geneva 1957

FAO International Code of Conduct on the Distribution and Use of Pesticides, Rome, 1985

2. Major International Marine Accords:

Global Conventions

Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention 1972), London, 1972

International Convention for the Prevention of Pollution from Ships, 1973, as modified by Protocol of 1978 relation thereto (MARPOL 73/78), London, 1973 and 1978

International Convention on Civil Liability for Oil Pollution Damage 1969 (1969 CLC), Brussels, 1969, 1976, and 1984

International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1971 (1971 Fund Convention), Brussels, 1971

Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS), London 1996

International Convention on Oil Pollution Preparedness, Response, and Co-operation (OPRC), London, 1990

International Convention Relation to Intervention on the High Seas in Cases of Oil Pollution Casualties (Intervention Convention), Brussels, 1969

United Nations Convention on the Law of the Sea (UNCLOS), Montego Bay, 1982

Regional Conventions

Convention for the Prevention of Marine Pollution by Dumping from Ships and Aircraft (Oslo Convention), Oslo, 1972

Convention for the Prevention of Marine Pollution from Land-based Sources (Paris Convention), Paris, 1974

Convention for the Protection of the Marine Environment of the North East Atlantic (OSPAR Convention), Paris, 1992

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1974 Helsinki Convention), Helsinki 1974

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1992 Helsinki Convention), Helsinki 1992

Conventions within the UNEP Regional Seas Programme

Convention on the Protection of the Black Sea against Pollution, Bucharest, 1992

Convention for the Protection and Development of the Marine Environment of the Wider

Caribbean Region, Cartagena de Indias, 1983

Convention for the Protection, Management, and Development of the Marine and Coastal Environment of the Eastern African Region, Nairobi, 1985

Kuwait Regional Convention for Co-operation on the Protection of the Marine Environment from Pollution, <u>Kuwait</u>, 1978

Convention for the Protection and Development of the Marine Environment and Coastal Region of the Mediterranean Sea (Barcelona Convention), Barcelona, 1976

Regional Convention for the Conservation of the Red Sea and Gulf of Aden Environment, Jeddah, 1982

Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, Noumea, 1986

Convention for the Protection of the Marine Environment and Coastal Area of the South-East Pacific, Lima, 1981

Convention for Co-operation in the Protection and Development of the Marine and Coastal Environment of the West and Central African Region, Abidjan, 1981

3. Major Conventions Regarding Living Resources:

Marine Living Resources

Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), Canberra, 1980

International Convention for the Conservation of Atlantic Tunas (ICCAT), Rio de Janeiro, 1966

International Convention for the Regulation of Whaling (ICRW), Washington, 1946

Nature Conservation and Terrestrial Living Resources

Antarctic Treaty, Washington, D.C., 1959

Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage

Convention), Paris, 1972

Convention on Biological Diversity (CBD), Nairobi, 1992

Convention on the Conservation of Migratory Species of Wild Animals (CMS), Bonn, 1979

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Washington, D.C., 1973

Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention), Ramsar, 1971

Convention to Combat Desertification (CCD), Paris 1994

FAO International Undertaking on Plant Genetic Resources, Rome, 1983

International Tropical Timber Agreement, 1994 (ITTA, 1994), Geneva, 1994

Freshwater Resources

Convention on the Protection and Use of Transboundary Watercourses and International Lakes, Helsinki, 1992

4. Major Conventions Regarding Nuclear Safety:

Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency (Assistance Convention), Vienna, 1986

Convention on Early Notification of a Nuclear Accident (Notification Convention), Vienna, 1986

Convention on Nuclear Safety, Vienna, 1994

Vienna Convention on Civil Liability for Nuclear Damage, Vienna, 1963

5. Major Intergovernmental Organizations

Commission on Sustainable Development (CSD)

European Union (EU): Environment

Food and Agriculture Organization (FAO)

Global Environment Facility (GEF)

International Atomic Energy Agency (IAEA)

International Council for the Exploration of the Sea (ICES)

International Fund for Agricultural Development (IFAD)

International Labour Organization (ILO)

International Maritime Organization (IMO)

International Monetary Fund (IMF)

International Oil Pollution Compensation Funds (IOPC Funds)

Organization for Economic Co-operation and Development (OECD), Environment Policy Committee (EPOC)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Educational, Scientific, and Cultural Organization (UNESCO)

United Nations Environment Programme (UNEP)

United Nations Industrial Development Organization (UNIDO)

United Nations Population Fund (UNFPA)

World Bank

World Food Programme (WFP)

World Health Organization (WHO)

World Meteorological Organization (WMO) World Trade Organization (WTO) **<u>6. Major Non-Governmental Organizations</u>** Atmosphere Action Network East Asia (AANEA) Climate Action Network (CAN) Consumers International (CI) Earth Council Earthwatch Institute Environmental Liaison Centre International (ELCI) European Environmental Bureau (EEB) Forest Stewardship Council (FSC) Friends of the Earth International (FoEI) **Greenpeace International** International Chamber of Commerce (ICC) International Confederation of Free Trade Unions (ICFTU) International Planned Parenthood Federation (IPPF) International Solar Energy Society (ISES) **IUCN-The World Conservation Union** Pesticide Action Network (PAN) Sierra Club

Society for International Development (SID) Third World Network (TWN) Water Environment Federation (WEF) Women's Environment and Development Organization (WEDO) World Business Council for Sustainable Development (WBCSD) World Federalist Movement (WFM) World Resources Institute (WRI) World Wide Fund For Nature (WWF)

7. Other Networking Instruments

Arab Network for Environment and Development (RAED)

Global Legislators for a Balanced Environment (GLOBE)

Regional Environmental Center for Central and Eastern Europe (REC)

United Nations Non-Governmental Liaison Service (UN-NGLS)

Appendices

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Methodology Note for Demographic Data:

The demographic numbers for cities and national populations listed in CountryWatch content are derived from the Geoba.se website, which analyzes data from the World Bank. The current demographic numbers displayed on the Countrywatch website are reflective of the latest available estimates.

The demographic information for language, ethnicity and religion listed in CountryWatch content is

derived from a mix of sources including the Altapedia, Central Intelligence Agency Factbook, Infoplease, and State Department Background Notes.

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<u>United States</u> Central Intelligence Agency, World Factbook.Washington, D.C.: Printing and Photography Group. URL: <u>http://www.cia.gov/cia/publications/factbook/index.html</u>

<u>United States</u> Department of State, World Military Expenditures and Arms Transfers (WMEAT) URL : <u>http://www.state.gov/www/global/arms/bureau_ac/reports_ac.html</u>

United States Department of State, Country Reports on <u>Human Rights</u> Practices. URL: <u>http://www.state.gov/g/drl/rls/hrrpt/2002/18245.htm</u>

<u>United States</u> Department of State, Background Notes. URL: <u>http://www.state.gov/www/background_notes/index.html</u>

Virtual Library: International Relations Resources. URL: http://www.etown.edu/vl/countgen.html

World Bank: Governance Indicators. URL: http://info.worldbank.org/governance

-- See also list of News Wires services below, which are also used for research purposes. --

Note on Edition Dates:

The earlier edition dates are noted above because they were used to formulate the original Country Reviews and serve as the baseline for some of the information covered. Later editions have been used in some cases, and are cited as such, while other more recent online resources (cited above) contain recent and ever-updated data sets used for research.

Sources: Economic Overview

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United States Department of Labor, Bureau of Labor Statistics Database

United States Geological Service, Mineral Information

United States Department of State, Country Commercial Guides. Washington, D.C. <u>United States</u> of America. URL:http://www.state.gov/www/about_state/business/com_guides/index.html

The World Bank, Global Development Finance, Country Tables. 1999 to present. Washington, D.C.: The World Bank.

The World Bank Group, World Development Indicators. 1999 to present. Washington, D.C.: The World Bank.

Yearbook of Tourism Statistics, World Tourism Organization. 1998 to present. Madrid: The World Tourism Organization.

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Methodology Notes for Economic Data:

Estimates by CountryWatch.com of GDP in dollars in most countries are made by converting local currency GDP data from the International Monetary Fund World Economic Outlook to US dollars by market exchange rates estimated from the International Monetary Fund International Financial Statistics and projected out by the CountryWatch Macroeconomic Forecast. Real GDP was estimated by deflating current dollar values by the US GDP Implicit Price Deflator.

Exceptions to this method were used for:

- Bosnia-Herzegovina
- Nauru
- Cuba
- Palau
- Holy See
- San Marino
- Korea, North
- <u>Serbia</u> & Montenegro
- Liberia
- Somalia
- Liechtenstein
- Tonga
- Monaco
- Tuvalu

In these cases, other data and/or estimates by CountryWatch.com were utilized.

Investment Overview

Corruption and Transparency Index. URL: http://www.transparency.org/documents/cpi/2001/cpi2001.html#cpi <http://www.transparency.org/documents/

Deloitte Tax Guides. URL: http://www.deloittetaxguides.com

Trade Policy Reviews by the World Trade Organization . URL: <u>http://www.wto.org/english/tratop_e/tpr_e/tpr_ep_e.htm#bycountry</u>

United States Department of Energy, Country Analysis Briefs. URL: <u>http://www.eia.doe.gov/emeu/cabs/contents.html</u>

<u>United States</u> Department of State, Background Notes. URL: <u>http://www.state.gov/www/background_notes/index.html</u>

<u>United States</u> Department of State, Country Commercial Guides. 1996-2006. Washington, D.C. <u>United States</u> of A m e r i c a . U R L : <u>http://www.state.gov/www/about_state/business/com_guides/index.html</u>

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Social Overview

Borden, G.A., Conaway, W.A., Morrison, T. 1994. *Kiss, Bow, or Shake Hands: How to do Business in Sixty Countries.* Holbrook, Massachusetts, 1994.

Center for Disease Control. URL: <u>http://www.cdc.gov</u>

Eldis Country Profiles. URL: <u>http://www.eldis.org/country/index.htm</u>

Ethnologue. URL: http://www.ethnologue.com/

Government of <u>Australia</u> Department of Foreign Affiars and Trade. URL: <u>http://www.dfat.gov.au/geo</u>

Government of <u>Canada</u> Foreign Affairs and International Trade. URL: <u>http://www.voyage.gc.ca/consular_home-e.htm</u>

Library of Congress Country Studies. URL: http://lcweb2.loc.gov/frd/cs/cshome.html

Lonely Planet. URL: http://www.lonelyplanet.com/worldguide/

Steve Kropla's Online Help For World Travelers. URL: <u>http://www.kropla.com/</u>

United Kingdom Ministry of Foreign and Commonwealth Office. URL: http://www.fco.gov.uk/

United Nations Human Development Report. URL: http://www.undp.org/hdro

UNICEF Statistical Database Online. URL: http://www.unicef.org/statis/atoz.html

<u>United States</u> Central Intelligence Agency, World Factbook. 2001. Washington, D.C.: Printing and Photography Group. URL: <u>http://www.cia.gov/cia/publications/factbook/index.html</u>

United States Department of State, Background Notes. URL: <u>http://www.state.gov/www/background_notes/index.html</u>

United States Department of State, Commercial and Business Affairs: Travel Tips. URL: <u>http://www.state.gov/www/about_state/business/cba_travel.html</u>

United States Department of State, Bureau of Consular Affairs. URL: http://travel.state.gov/

World Health Organization. URL: <u>http://www.who.int/home-page/</u>

World News Connection, National Technical Information Service. Springfield, Virginia, USA.

Internet News Service, Xinhua News Agency (U.S.) Inc. Woodside, New York. URL: <u>http://www.xinhuanet.com/english/</u>

Note on Edition Dates:

The earlier edition dates are noted above because they were used to formulate the original country reviews and serve as the baseline for some of the information covered. Later editions have been used in some cases, and are cited as such, while other more recent online resources (cited above) contain recent and ever-updated data sets used for research.

Methodology Notes for the HDI:

Since 1990, the United Nations Development Programme, in concert with organizations across the globe, has produced the <u>Human Development Index</u> (or HDI). According to the UNDP, the index measures average achievement in basic human development in one simple composite index, and produces from this index a ranking of countries. The HDI is a composite of three basic components of human development: longevity, knowledge and standard of living. Longevity is measured by life expectancy. Knowledge is measured by combination of adult literacy and mean

years of schooling. Standard of living is measured by purchasing power, based on real GDP per capita (in constant US\$) adjusted for differences in international living costs (or, purchasing power parity, PPP). While the index uses these social indicators to measure national performance with regard to human welfare and development, not all countries provide the same level of information for each component needed to compute the index; therefore, as in any composite indicator, the final index is predicated on projections, predictions and weighting schemes. The index is a static measure, and thus, an incomplete measure of human welfare. In fact, the UNDP says itself the concept of human development focuses on the ends rather than the means of development and progress, examining in this manner, the average condition of all people in a given country.

Specifically, the index is calculated by determining the maximum and minimum for each of the three components (as listed above) and then measuring where each country stands in relation to these scales-expressed as a value between 0 and 1. For example, the minimum adult literary rate is zero percent, the maximum is 100 percent, and the reading skills component of knowledge in the HDI for a country where the literacy rate is 75 percent would be 0.75. The scores of all indicators are then averaged into the overall index.

For a more extensive examination of human development, as well as the ranking tables for each participating country, please visit: <u>http://www.undp.org</u>

Note on History sections

In some CountryWatch Country Reviews, open source content from the State Department Background Notes and Country Guides have been used.

Environmental Overview

Environmental Profiles: A Global Guide to Projects and People. 1993. Linda Sobel Katz, Sarah Orrick, and Robert Honig. New York: Garland Publishing.

The Environment Encyclopedia and Directory, 2nd Edition. 1998. London: Europa.

Environmental Protection Agency Global Warming Site. URL: http://www.epa.gov/globalwarming

Food and Agriculture Organization of United Nations: Forestry. URL: <u>http://www.fao.org/forestry/site/sofo/en/</u>

Global Warming Information Page. URL: http://globalwarming.org

Introduction to Global Environmental Issues, 2nd Edition. 1997. Kevin Pickering and Lewis Owen.

London: Routledge.

Trends: Compendium of Data on Global Change. URL: <u>http://cdiac.esd.ornl.gov/trends/emis/em_cont.htm</u>

United Nations Environmental Program. URL: <u>http://www.unep.org/GEO/GEO_Products/Assessment_Reports/</u>

United Nations Global Environmental Outlook. URL: <u>http://www.unep.org/geo/geo4/media/</u>

United States Department of Energy, Country Analysis Briefs. URL: <u>http://www.eia.doe.gov/emeu/cabs/contents.html</u>

World Climate Data Online. URL: http://www.worldclimate.com

World Directory of Country Environmental Studies. 1996. The World Resource Institute.

World Factbook. US Central Intelligence Agency. Washington, D.C.: Printing and Photography Group.

1998-1999 World Resources Guide to the Global Environment by the World Resources Institute. May, 1998.

1998/1999 Yearbook of International Cooperation on Environment and Development. 1998. London: Earthscan Publications.

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Other Sources:

General information has also been used in the compilation of this review, with the courtesy of governmental agencies from this country.

News Services:

CANA Daily Bulletin. Caribbean Media Agency Ltd., St. Michael, Barbados.

Central and Eastern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Central and Eastern Africa.

Daily News, Panafrican News Agency. Dakar, Senegal.

PACNEWS, Pacific Islands Broadcasting Association. Suva, Fiji.

Radio Free Europe/Radio Liberty. Washington D.C. USA.

Reuters News. Thomson Reuters. New York, New York. USA.

Southern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Southern Africa.

Voice of America, English Service. Washington D.C.

West Africa Report, United Nations Office for the Coordination of Humanitarian Affairs -Integrated Regional Information Network for West Africa. 1998-1999

<u>Note:</u> Some or all these news services have been used to research various sections of this Country Review.

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For items in a "Works Cited" list, CountryWatch.com suggests that users follow recommended patterns forindentation given in the *MLA Handbook*, 4th edition.

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Basic form, using an Internet protocol:

Author/editor. *Title of Print Version of Work*. Edition statement (if given). Publication information (Place of publication: publisher, date), if given. *Title of Electronic Work*. Medium. Available Protocol (if applicable):Site/Path/File. Access date.

Examples:

Youngblood-Coleman, Denise. *Country Review: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *Country Review: France*. Online. Available URL: <u>http://www.countrywatch.com/cw_country.asp?vCOUNTRY=61</u> October, 12, 2003. Note:

This is the citation format used when the print version is not used in the reference.

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Examples:

Youngblood-Coleman, Denise. "People." *CountryWatch.com: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *CountryWatch.com: France*. Online. Available URL : <u>http://www.countrywatch.com/cw_topic.asp?</u> <u>vCOUNTRY=61&SECTION=SOCIAL&TOPIC=CLPEO&TYPE=TEXT</u>. October 12, 2003.

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ISBN: 1-60523-729-9 Micronesia Country Review 2016

ISSN: 1-60523-893-5

Printed in the United States of America