Does the Cook Islands Still Need Overseas Aid?

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Abstract:

Later this year the OECD is expected to declare that the Cook Islands economy has now 'graduated' to join the ranks of the world's high-income economies, which will mean that aid provided to the Cook Islands Government will no longer be classed as "official development assistance". This change in official language at international level does not mean aid has to stop, but it may cause some re-thinking among traditional donors such as New Zealand. A report I prepared for the Government last year (available at http://www.geoffbertram.com/fileadmin/publications/Final%208%20December.pdf) explored the implications of 'graduation', and the lecture will cover some of the findings of that report, besides looking at the experience of other small island economies moving to high-income status.

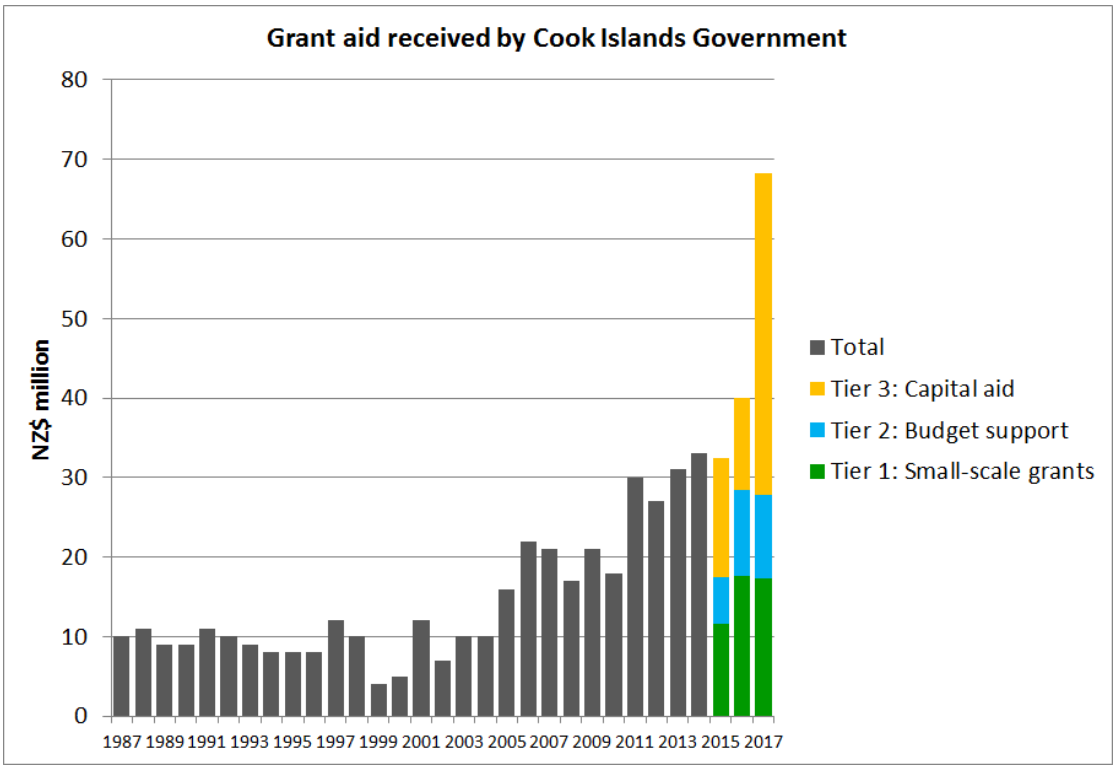
1. Introduction

Over the past three decades the Cook Islands Government has relied on overseas aid to fund a significant part of its expenditure. Chart 1 shows aid running at about $10 million per year up to 2005, then stepping up to over $20 million per year 2006-2010, and then up again to over $30 million in most years since 2011. In the last three years roughly $15 million has come in the form of small-scale grants made directly from multiple donors to front-line government agencies (mostly ministries). Another $10 million has come as budget support, and the remainder has been large-scale capital grants from big donors to fund infrastructure investments in water, wastewater, renewable energy, school construction and other public works.

While aid has risen steeply over the past decade, so has government's total spending, especially on capital works which have been running at a high level of investment to make up for a backlog of infrastructure investment. This is clear in Chart 2 which highlights the increased importance of capital works in both government spending and overseas aid inflow.

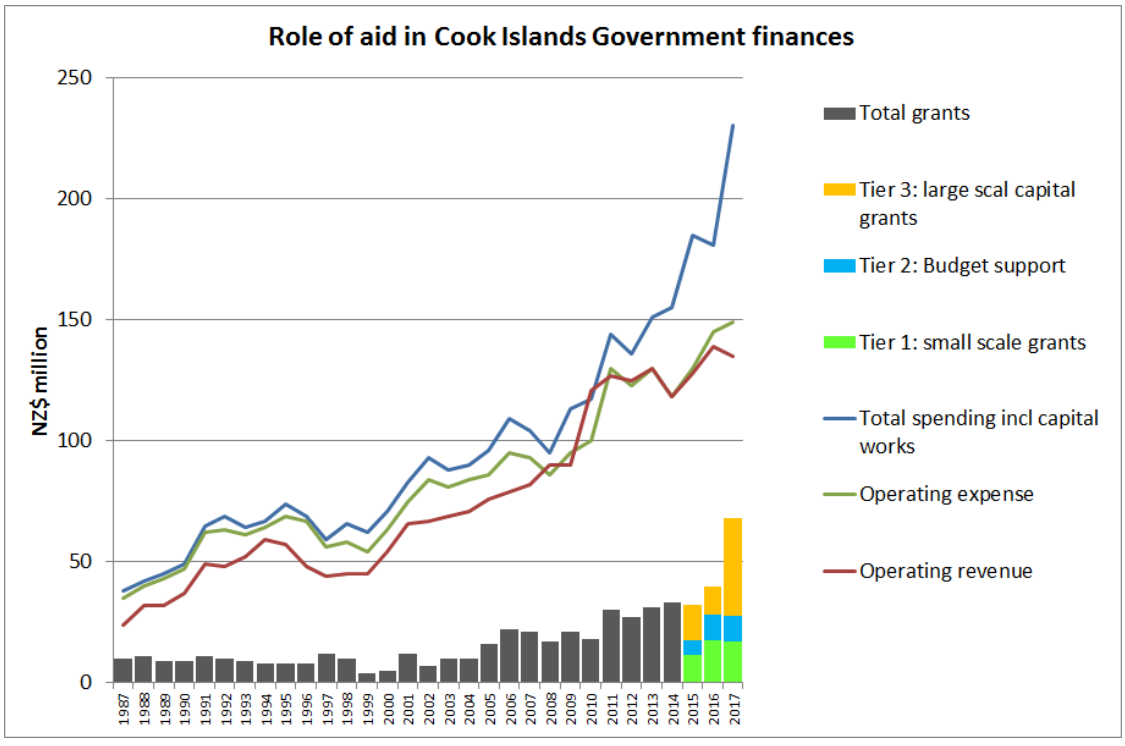
Clearly at present aid is playing a central role in funding large capital projects, but once these have been completed the question arises: what is, and will be, the long-run role of aid in the Cook Islands economy? That is the topic to which this lecture is addressed.

Chart 1



Source: Table 1 at end of paper

Chart 2



Source: Table 1 at end of paper

2. Long-run perspectives on the Cook Islands economy and the role of aid

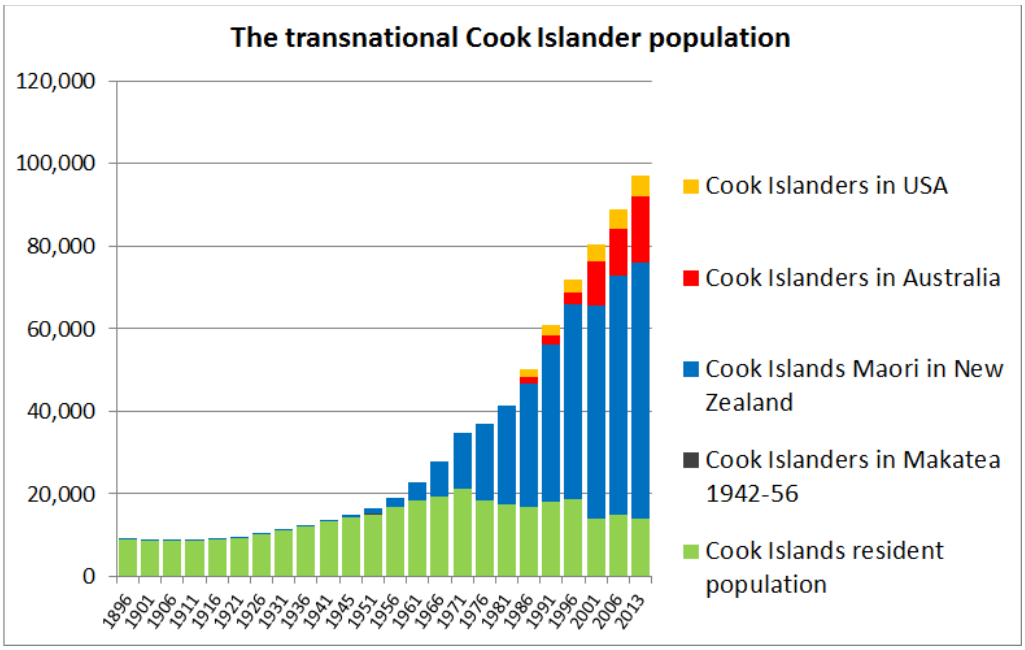
To trace the long run evolution of the Cook Islands economy and the role played by aid, I take four sets of statistics: population, the national accounts, the balance of international payments , and government finance, and ask what each of them says about the contribution made by overseas aid.

Population

Over the past century the total number of Cook islanders has increased ten-fold, from below 9,000 in 1911 to nearly 100,000 by 2013. The actual resident population of the Cook Islands, however, rose to just 14,100 by 1945, and was still at that level in 2013 after peaking at 21,000 in the early 1970s. As Chart 3 shows, all natural increase, plus the loss of locally-resident population due to out-migration, has ended up in the diaspora since 1971.

[Organised migration to New Zealand began for women in 1941 with the Cook Islands Domestics Scheme (Anderson 2014 pp.72-102), at a time when male migration was diverted by the New Zealand Government to the Makatea phosphate diggings. However, male migration to farm work in New Zealand rose from 1942 on (Anderson 2014 p.125), and by 1950 there were over 1,000 Cook Islanders in New Zealand. By 1970 the number was over 10,000, and by 1980 there were more Cook Islanders in New Zealand than in the islands.]

Chart 3



Source: Table 2 (at end of paper).

Two important implications of this transnational dispersal of Cook Islanders are that

- most families still in the islands have relatives overseas, especially in New Zealand and Australia, with the ability to reallocate family members, money, and moveable goods back and forth depending on need and opportunity; and
- when income-earning opportunities in the Cook Islands are reduced, the result tends to be out-migration rather than open unemployment.

From the standpoint of development economics, what this means is that the Cook Islands economy has a very large "reserve army of labour" available to be recruited whenever returning Cook Islanders are able to earn incomes and/or lifestyles that match those currently being secured in New Zealand and Australia. (It is noticeable in Chart 1 that after 1996 when both the Cook Islands and New Zealand were in recession but Australia was booming, the Australian share of the diaspora rose significantly – confirmation that Cook Islander migration is responsive to relative economic opportunity.)

This observation immediately points to one of the functions that international aid has performed over the past half century: holding material living standards in the Cook Islands above what they would otherwise have been, and hence placing at least some check on out-migration. This function of aid remains important today, especially with respect to the "Tier 1" small-scale grants to the front-line government agencies that deliver education, health care, and social services to the resident population.

Gross Domestic Product and Gross National Income

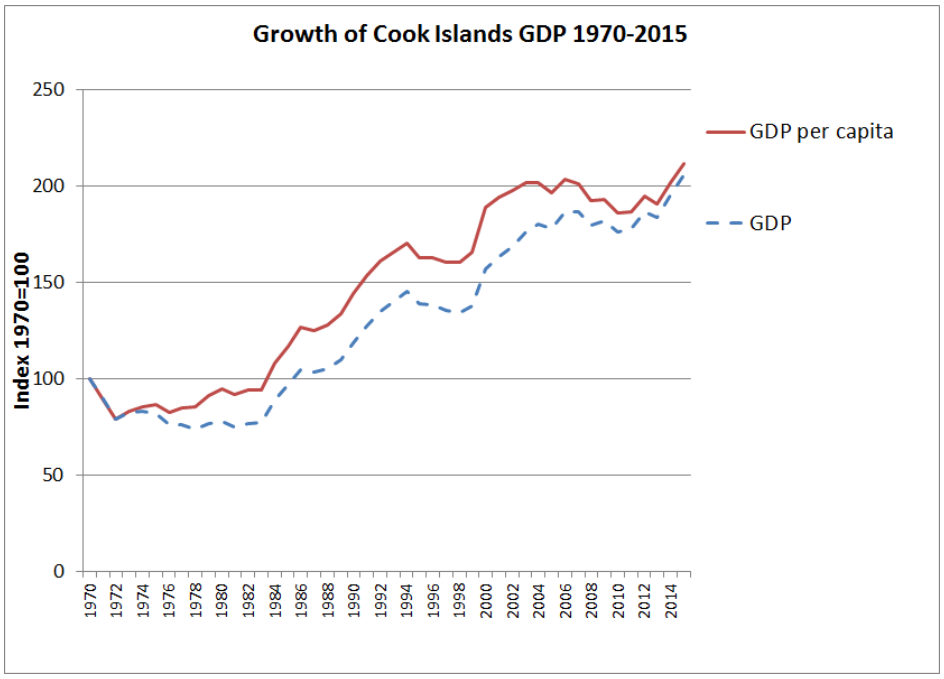
The common practice of using Gross Domestic Product (GDP) as the main – and often the only – indicator of a country's level of economic development, has come increasingly under fire in recent years, and for good reason. Nevertheless, like it or not, the big international agencies that are the ultimate arbiters on development matters, and most of the big aid donors, still formulate their policies and decisions very largely with reference to this indicator and its close relative Gross National Income (GNI). The Cook Islands national accounts (available on the UN website http://unstats.un.org/unsd/snaama/resCountry.asp for all years from 1970 to 2015) provide annual estimates for GDP, but not GNI. (As will become apparent, the failure to produce GNI estimates has important implications for our story.)

Gross Domestic Product is the total value of productive activity in the country. Gross National Income is the amount actually received by the locally-resident population. These two can be very different numbers. In Bermuda, for example (a very wealthy small island economy with a lot of money coming in from offshore) the per capita GDP in 2013 was US$86,000 while per capita GNI was US$106,000 - 24% higher. In the Bahamas, a tourism-dominated economy like the Cook Islands with a heavy outflow of profits and wages, 2015 per capita GDP was US$23,000 while per capita GNI was US$20,740 – 10% lower. So the difference can be substantial, and can be positive or negative depending on whether income from overseas is flowing in on top of GDP (in which case GNI will be higher) or

whether the reverse if happening with part of the GDP generated in the economy accruing to offshore recipients, leaving GNI below GDP. I'll come back to this.

When we look at the GDP data for the Cook Islands, we get Chart 4[1], which shows a clear growth history. From 1971 to 1994, both real GDP and real per capita GDP doubled – an annual average growth rate of 3%, which is a very respectable performance for a small Pacific Island economy. There was then a sharp recession caused by fiscal retrenchment, before growth resumed, bringing real per capita GDP to a peak in 2003-2006.

Chart 4



Source: Table 3 (at end of paper).

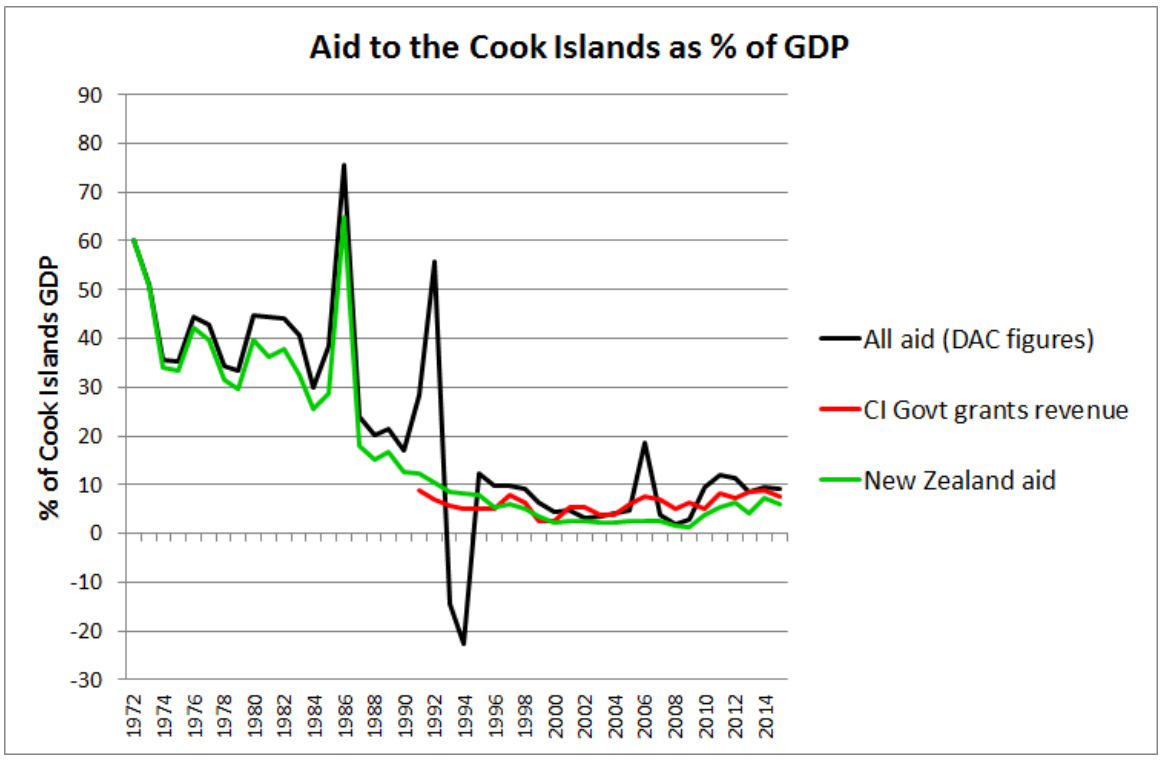
Since 2005 there has followed a period of slower growth, attributable partly to the GFC but also to a maturing of the tourism industry and tightening environmental and other constraints that require big new investments in infrastructure – water, sewage, solid waste disposal, roading, telecommunications, and accommodation – to sustain further growth.

What has been the role of international aid relative to GDP? Charts 5 and 6 present the story. At the beginning of the 1970s aid accounted for more than half of Cook Islands GDP, with New Zealand the dominant donor. By 1990, aid had dropped in importance to 20% of GDP, with New Zealand still the main source, but with other donors becoming important (including Italy whose Sheraton-related loans Sheraton-related loans are include in the DAC aid figures in Chart 4). Following the Sheraton debacle and fiscal crisis in the mid 1990s,

[1] As Table 3 shows, dividing by resident population rather than total population (including tourists) make a big difference to the numbers – but the international convention uses total population. The table also shows (more volatile) estimates using the Cook Islands Statistics Office population series in place of the UN one.

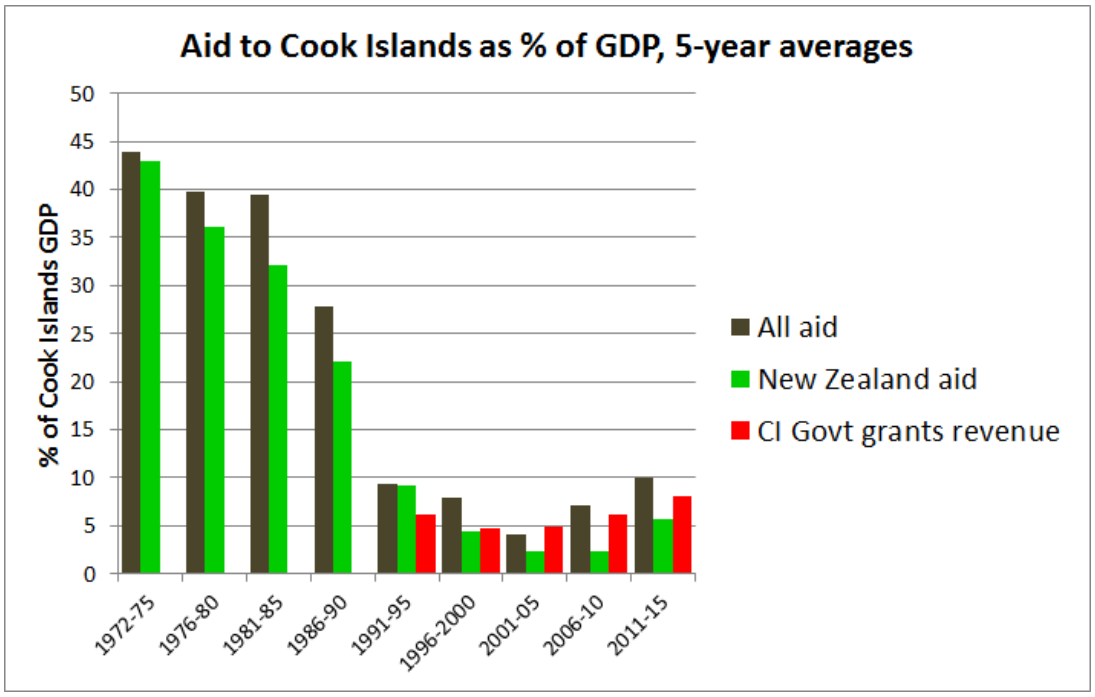
from 1996 on the aid/GDP ratio returned to its long-run downward path, settling at just 3-5% of GDP after 2000 (interrupted by final settlement of the Sheraton debt in 2006).

Chart 5



Source: Table 4 (at end of paper).

Chart 6



Source: Table 5.

Since 2010, total aid has stepped up sharply, due to a series of big infrastructure projects and the entry of new donors such as China, but aid remains generally below 10% of GDP, and seems likely to drop back as the big projects in water supply, waste and wastewater disposal, school construction, renewable energy and telecommunications are completed over the next few years.

In summary, as the Cook Islands economy turned in a respectable record of economic growth over the past half-century, its degree of dependence on external aid fell steeply. Aid dependence did not disappear, but apart from the big capital-works grants it accounts for under 5% of GDP. To see whether this is needed to plug a sh0ortfall of aggregate national sacings, we need to look at the balance of payments current account.

Balance of payments

The official balance of payments statistics show a current account surplus of $109 million (29% of GDP) for 2013 and $141 million (37% of GDP) for 2014[2]. For 2017 the Asian Development Bank has projected 41.3% of GDP[3]. In national accounting terms, the current account balance represents aggregate savings (private sector plus public sector), so with GDP now pushing $300 million, the Cook Islands seems to be saving up to 40% of its GDP, which on the face of it ought to mean no need for overseas aid to plug any "savings gap" if we accept the official balance of payments statistics. (But actually I think the official current account statistics are overestimates).

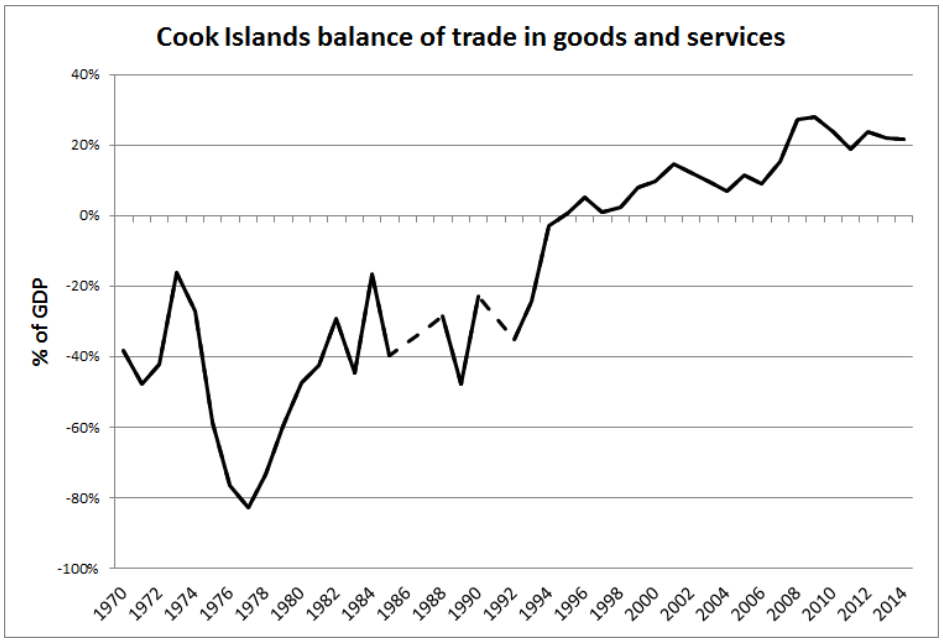
The tourism boom of recent decades has transformed the Cook Islands balance of payments. Just looking at the national accounts figures for imports and exports of goods and services in Chart 7 and the commercial balance in Chart 8 immediately shows the dramatic swing from deficit to surplus.

Chart 7

2 http://www.mfem.gov.ck/statistics/economic-statistics/balance-payments accessed 30 May 2017.

3 ADB, *Pacific Economic Monitor* July 2016 p.5.

Chart 8



What does this imply for aid? For many developing economies (including the Cook Islands before the 1990s) aid is needed to fill a gap in their balance of payments, enabling them to pay for an excess of imports over exports, reflecting living stands at a level above what could otherwise be sustained. But the Cook Islands is no longer one of those chronic deficit economies: tourism has lifted it out of any need for aid to pay for its import needs. There is no longer any "foreign exchange gap" to justify aid.

Chart 9

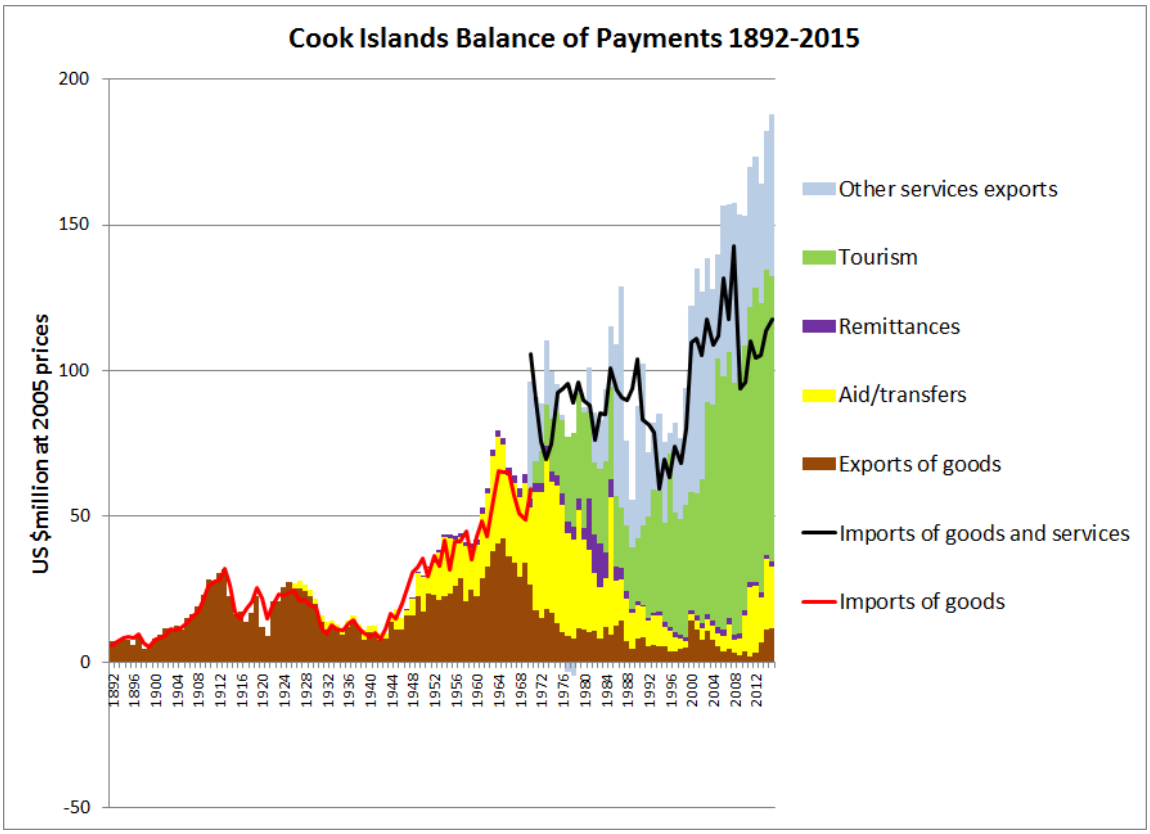
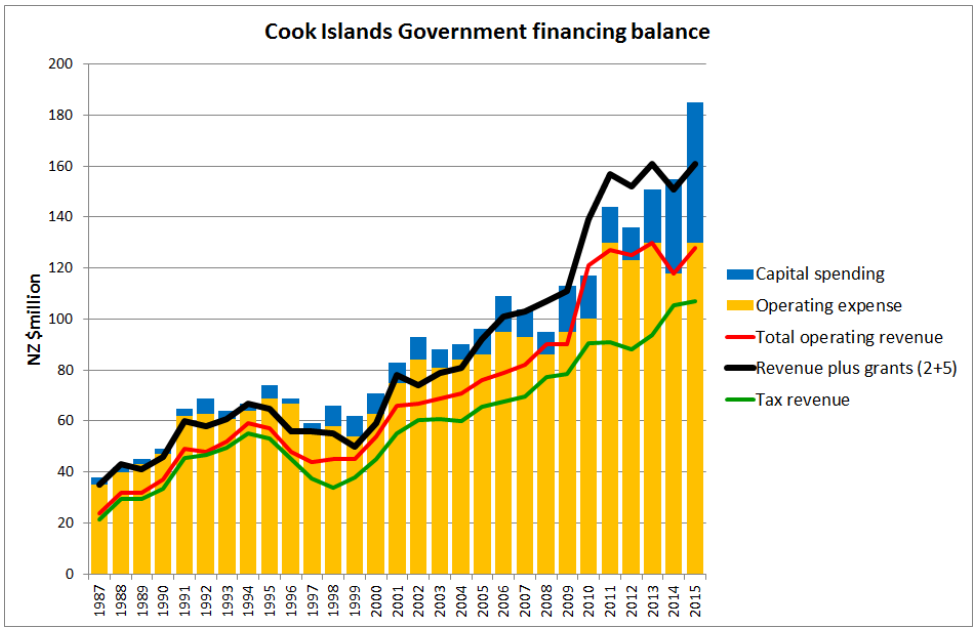


Chart 9 traces the long-run balance of payments story since 1892. Up to the 1940s the Cook Islands was a classic export economy with imports paid for by exports. Then through the 1950s and 1960s there was a rapid rise in imports, outpacing even the rapid increase in exports during the Raro fruit juice era. This period of rapidly rising living standards was funded by New Zealand aid, which then sustained the balance of payments after the fruit juice boom ended. In the early-mid 1980s (when Ray Watters and I dreamed up the "MIRAB" model) the Cook Islands was one of our key examples, with aid paying for 35-40% of total imports of goods and services, and remittances funding another 20%. But by the early 1990s aid and remittances had faded to only about 12% of imports funding between them, as tourism, together with other services exports and overseas borrowing, dominated the picture. Over the following two decades tourism inexorably rose until by 2009 tourism earnings were paying for 96% of import requirements, so that the rising aid inflow simply helped push the current account of the balance of payments into surplus. The proposition that aid was required to fund the balance of payments, which was clearly true in the 1970s and 1980s, no longer applies in the 2010s.

Government finance

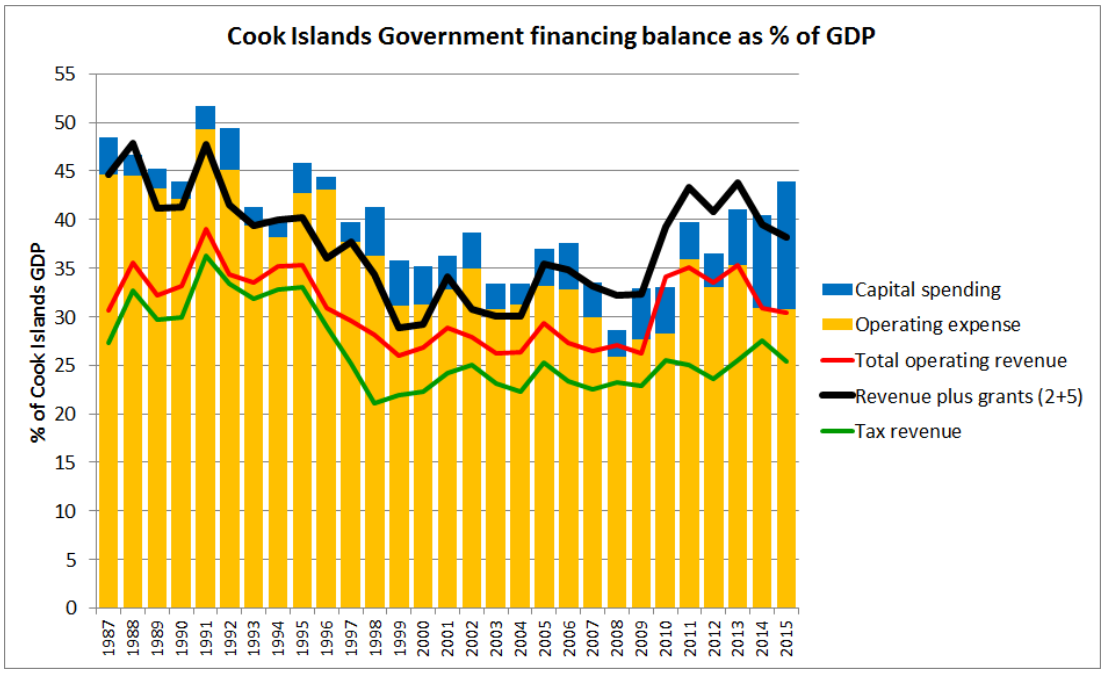
The Cook Islands Government plays a large role in the local economy. Its total expenditure (inclusive of welfare benefits and capital investments) has been around 40% of GDP over recent decades, down from a peak of 50% around 1991 (Chart 11). To pay for this expenditure the government relies on four sources of funds: tax revenues, "other operating revenues", aid grants, and borrowing. Chart 10 shows how total expenditure has been funded over the past thirty-odd years in dollar terms, and Chart 11 shows the same information as percentages of GDP. In both charts, total spending is shown as columns and total revenue as lines. Whenever total spending runs above revenues (as occurred in the 1990s) the resulting deficit means that Government is running up debt of some sort; when funding exceeds spending as occurred from 2010 to 2013, the opposite. Basically the 1990s were a decade of fiscal stress, the 2010s a decade of fiscal stability, and the 2000s in between a decade of transition.

Chart 10



Source: Table 6.

Chart 11



Source: Table 6.

It is clear that without grant assistance, the Cook Islands Government would not be able to balance its budget at current spending levels without either borrowing, or raising taxes, or both. Here the aftermath of the 1995-96 crisis becomes relevant. Following that crisis, under the 1998 "Manila Agreement" with its creditors (facilitated by the Asian Development Bank and signed by the governments of Italy, Nauru and New Zealand) the Cook Islands Government agreed to accept voluntary but binding limits on its budget, namely:

- tax revenue should not exceed 25% of GDP ("unless due to better compliance and efficiency");
- public sector wages and salaries should be capped at 44% of total revenue, falling to 40% over time;
- debt servicing should not exceed 5% of total revenue;
- the overall budget deficit should not exceed 2% of GDP; and
- net debt should not exceed 35% of GDP.

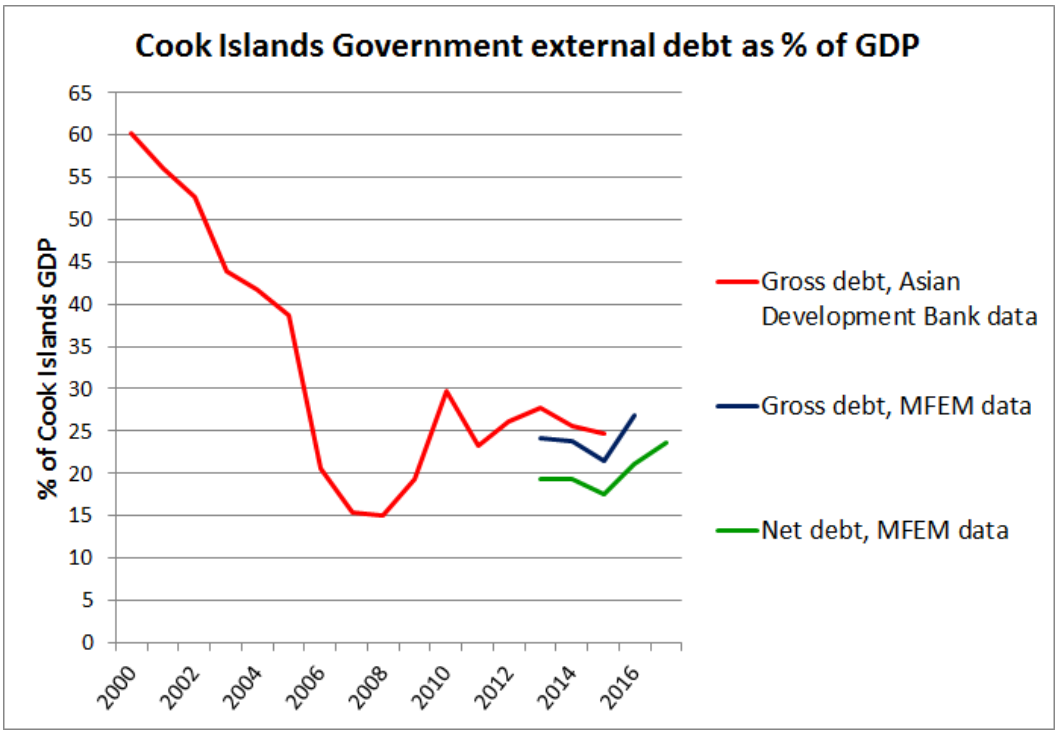
Looking at Chart 11, the impact of the ceiling on tax revenue is immediately obvious: the Cook Islands has been at (or close to) the limits of this "fiscal responsibility ratio" since 2002. Tax increases are ruled out unless the Manila Agreement can be renegotiated.

Turning to debt, Chart 12 shows that as of 2017 the Cook Islands Government is below the 35% ceiling by a reasonably comfortable margin, but its scope to increase its indebtedness is limited by two factors:

- The Government has unilaterally reduced its net debt ceiling to 30% of GDP, to ensure that it has the ability to borrow heavily in the event of a cyclone or other natural disaster without breaching the Manila ceiling of 35% of GDP;

- The 6-7% of GDP margin that this leaves is equivalent to less than $30 million of additional borrowing – that is, less than one year of capital expenditure at the current rate.

Chart 12



Source: Table 7

So what can we say about the role of aid in Cook Islands public finance? In a nutshell, the present level of Government expenditure could not be sustained without aid, unless the Manila Agreement limits are abandoned. Of the five numerical caps imposed by that agreement, the one that might be relaxed without necessarily threatening "fiscal responsibility": is the limit on tax revenue. Put another way, the central function of overseas aid is to keep the Cook Islands Government solvent without raising taxes. Insofar as the current level of expenditure could not be reduced without squeezing public services and living standards, aid functions as a subsidy to Cook Island taxpayers, by keeping the total tax take within the Manila Agreement fiscal constraints.

This brings me back to the role of aid in the wider economy. We saw earlier that there seems to be no lack of aggregate savings to fund investment in the economy – but it is clear from Chart 10 that the Cook Islands Government has effectively zero savings. This means that the private sector accounts for all of the substantial aggregate savings indicated by the balance of payments statistics. The Government is unable to capture a share of those savings by taxation because of the Manila Agreement ceiling on tax revenue. Overseas aid is the means by which a Government that

- spends 40% of GDP, but which

- collects only 25% in taxes plus
- another 5% in other revenues,

is kept solvent and free of the need to borrow just to sustain current services, let alone capital works. Overseas aid therefore will continue to be needed by the Cook Islands until (or unless):

- Government radically cuts its expenditure relative to GDP (a Greece-style austerity programme that would certainly induce another slump and depopulation surge); or
- The ceiling on tax collection is relaxed by the aid donors who imposed it in the first place, and who continue to pay for the resulting gap in public finances; or
- Some other revenue sources, equivalent to 5-10% of GDP, appear (the only serious prospect here would seem to be seabed mining, if this ever gets underway; McCormack (2016 p.16) estimates that a 3% royalty on a 2.5 million tonnes-per-year mine could bring in $45million p.a which could replace the current aid flow, but McCormack also points out that this is not likely to happen in the next decade or two, which means it lies outside the horizon for planning fiscal policy); or
- Some programmes at present paid for by government are outsourced to the private sector. The obvious candidate is the Air New Zealand Underwrite which costs around $10 million per year (9% of the Government's operating expense, roughly equal to all the budget support aid received) for the benefit of the private tourism sector, which could clearly pick up the cost through something like a self-imposed levy on bed-nights, toilets, or turnover.

3. Trickling down and trickling across

We have seen that in terms of GDP – the only available measure at this point - the Cook Islands economy has grown strongly in recent decades, led by a booming tourism sector. For aid donors, two questions now arise:

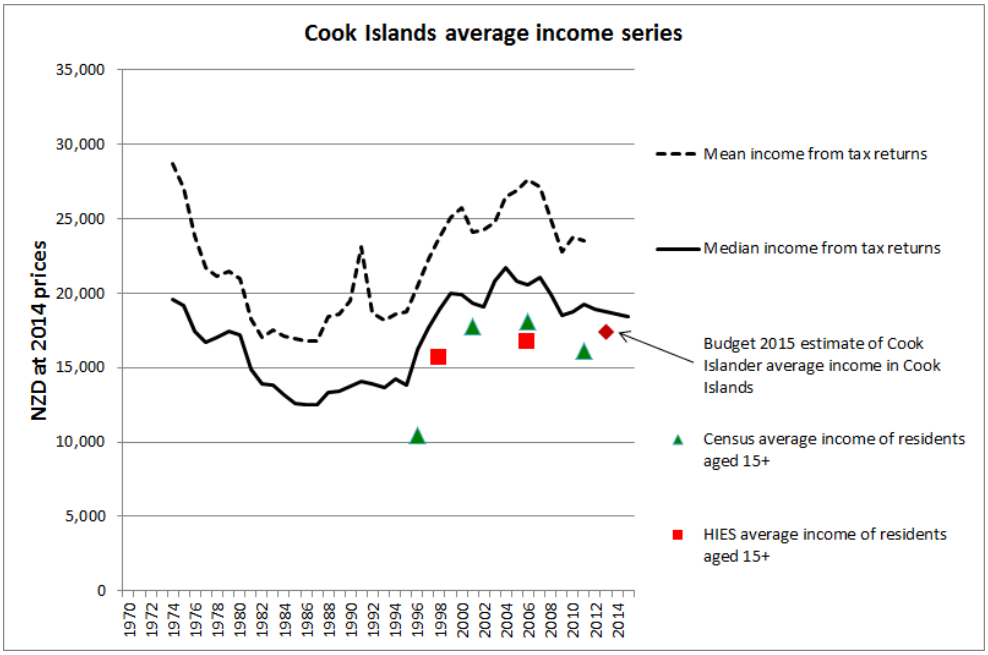
- To what extent has the private-sector prosperity indicated by the GDP growth figures translated to growing government revenue to fund expansion of public services (in other words, has growth "trickled across" from the private to the public sector)?
- To what extent has this growth translated to rising incomes for Cook Islanders living in the islands (in other words, has GDP growth "trickled down" to the resident population)?

The answer to the first of these questions is already apparent from Chart 10 above. Although the productive economy (as measured by GDP) as a whole has grown strongly, and the balance of payments has moved into surplus, the government remains dependent on aid inflows to balance its books because its "fiscal responsibility" ratios block it from

capturing more of the private sector's economic surplus. "Trickling across" from the private to the public sector has not been sufficient to move the public sector into overall balance or surplus, and this is the basic reason why aid is required.

Turning to trickling-down, Chart 13 assembles evidence on the path of average personal real incomes from tax returns, census results, and the occasional Household Income and Expenditure Surveys[4]. These figures suggest a downward trend in personal incomes during the 1970s as the fruit juice export boom ended, followed by not much change through to the mid-1990s, then an upward trend as tourism expansion and depopulation pushed individual incomes up, and finally a stagnant or slightly downward trend since the early 2000s. It can be seen that the mean (average) income from tax returns fairly represents the trends, while painting the most optimistic picture of all the series plotted in Chart 13. So the question arises how this trend of personal income of Cook Island residents compares with the GDP growth that we saw in Chart 4. This comparison is shown in Chart 14.

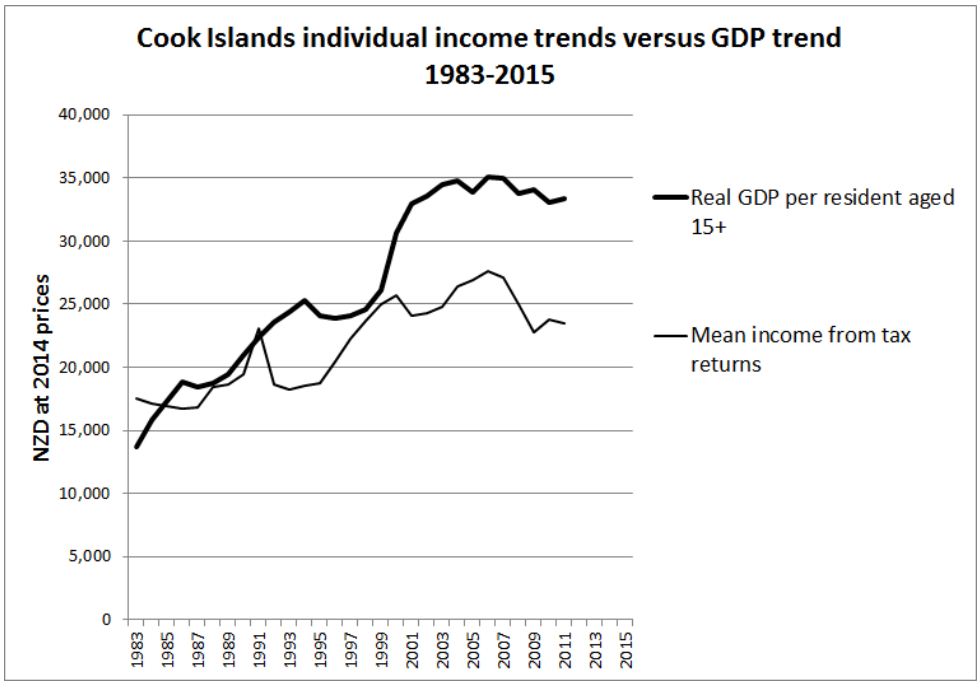
Chart 13



What is immediately obvious is that after 2000, whereas average personal real income stayed flat, officially-recorded per capita GDP raced away, opening up a gap of around $10,000 by 2009. One way to interpret this is that GDP growth failed to "trickle down" to personal incomes. The increased tourism earnings shown in the GDP figures have not translated to rising incomes for local residents as a whole, if these figures are even approximately accurate. This brings me back to the difference between GDP and GNI, which I mentioned at the start.

[4] Results from the 2016 HEIS were not yet available at the time of writing.

Chart 14



GDP measures the value of all the goods and services produced in the economy. GNI measures the amount of income received by resident of the economy. The difference between the two is flows of locally-generated income going to non-residents (or possibly, if the local tax returns fail to pick this up, into the offshore bank accounts of residents).

What Chart 14 suggests is that for the Cook Islands, per capita GNI may be several thousand dollars less than GDP. The apparent lack of trickle-down since 2000 may have opened up quite a large gap between the two – possibly a gap of anywhere up to 30%. Unfortunately, there are at present no official statistics for GNI, though work is now underway to remedy this. It is GNI, not GDP, that the big international agencies – the World Bank, Organisation for Economic Cooperation and Development (OECD), and United Nations – supposedly use to judge when a country has graduated from being a low- or middle-income economy to being a "high-income" one. The countries of the world are ranked in their development league tables on the basis of per capita income. If there is no figure available for GNI per capita, the usual practice is simply to use GDP per capita as the next-best number.

As it happens, later this year the OECD is likely to declare that the Cook Islands economy has "graduated" from developing-country status to join the ranks of the world's High-Income Economies. Once an economy has graduated to this status, assistance provided to it no longer qualifies to be counted as Official Development Assistance under the OECD rules. Donor countries that are members of the OECD's Development Assistance Committee then cannot record their assistance as "development aid", which can mean that their domestic political case for providing the assistance may be weakened and the amount of assistance given may drop. Graduation to high-income status therefore comes with collateral implications that may have significant impacts on the recipient economy both in terms of a

reduced flow of external funding from official sources, and in terms of the expectations that other countries and international agencies may hold about future economic performance.

4. Graduating to high-income status

"Graduation" is a term used in the aid literature to describe the point at which an economy crosses (from below[5]) some threshold level of income per capita. The classification used by the Development Assistance Committee (DAC)[6] of the OECD was developed for statistical purposes by the World Bank in 1989[7] and sorts countries into four groups, using the single criterion of Gross National Income (GNI) per head of population.

For the current 2016-17 fiscal year, low-income economies are defined as "those with a GNI per capita, calculated using the World Bank Atlas method, of $1,025 or less in 2015; lower middle-income economies are those with a GNI per capita between $1,026 and $4,035; upper middle-income economies are those with a GNI per capita between $4,036 and $12,475; high-income economies are those with a GNI per capita of $12,476 or more"[8].

The apparent precision of these thresholds conceals the fact that they derived from an arbitrary initial judgmental process that sorted countries into groups on the basis of qualitative criteria, and then assigned numerical graduation thresholds corresponding to the per capita incomes of countries on the group boundaries as at 1987. "The original analytical high-income threshold of $6,000 in 1987 prices that was created in 1989 was agreed to by the Bank's Executive Board in order to have all the countries previously classified as "industrial" classified as high income. Updating that threshold each year with the international inflation rate gets you to [$12,745 in 2017]"[9].

The arbitrary nature of the procedure has attracted plenty of critical comment, but it does have the great virtue of simplicity and transparency – and of being more difficult to manipulate than some of the more complex suggested alternatives.

The original 1987 thresholds, and their inflation-adjusted[10] values for the current 2016-17 fiscal year, are shown below:

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5 Countries whose economies are in decline may on occasion cross the income threshold from above on their way down. Libya is a recent example: having been removed from the DAC list in 2000, it saw its per capita income fall from US$15,600 on 2008 to an estimated US$6,500 by 2014.

6 Established 1960; for a summary history see DAC 2010.

7 http://siteresources.worldbank.org/DATASTATISTICS/Resources/OGHIST.xls; World Bank 2015.

8 https://datahelpdesk.worldbank.org/knowledgebase/articles/906519, accessed 16 August 2016.

9 Will Price comment 7 December 2013, posted on http://blogs.worldbank.org/opendata/reviewing-world-bank-s-analytical-country-classification-update, with the number updated to 2017.

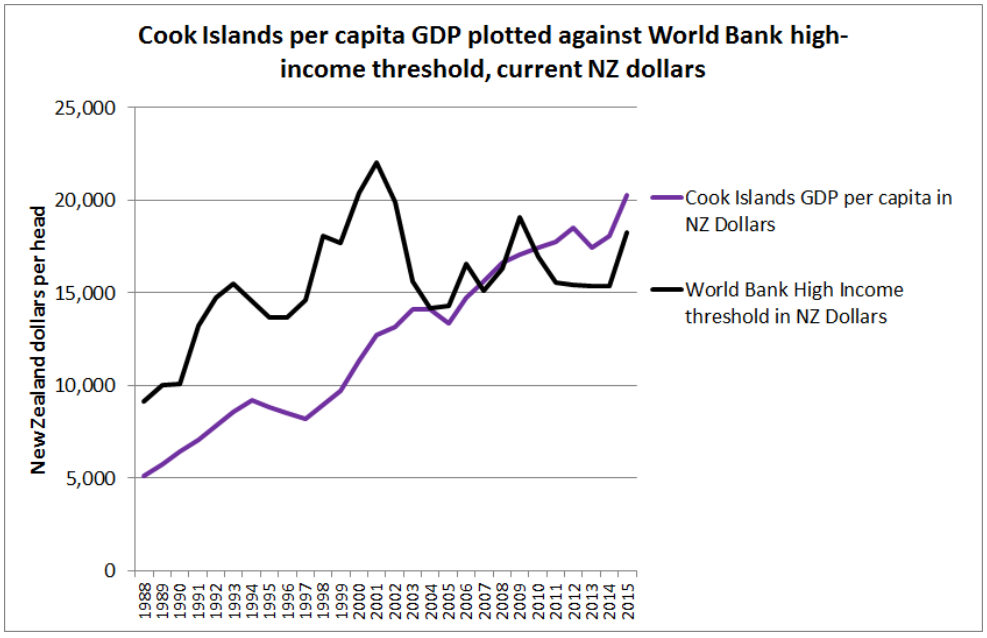
10 The World Bank adjusts the income thresholds annually using the "international inflation rate", as follows: "The current methodology for measuring inflation for this purpose is to use the change in a deflator (the "SDR deflator") compiled from inflation measures of economies represented in the IMF's Special Drawing Rights: currently Japan, the United Kingdom, the United States, and the euro area. Both the GNI per capita estimates and the income thresholds are rounded to the nearest $10; the thresholds

	Range of GNI per head in US$	
	1987	2017
Low income	≤ 480	≤ 1,025
Lower middle income	481-1,940	1,026-4,035
Upper middle income	1,941-6,000	4,036-12,475
High income	> 6,000	> 12,475

Source: http://siteresources.worldbank.org/DATASTATISTICS/Resources/OGHIST.xls

Charts 15 and 16 show how the Cook Islands' GDP per capita has nudged over the high-income threshold since 2010. In the absence of any statistics for GNI, this is the basis on which the OECD may decide that the Cook Islands has graduated to being a high income economy. Chart 16 shows the same information expressed in 2015 US dollars.

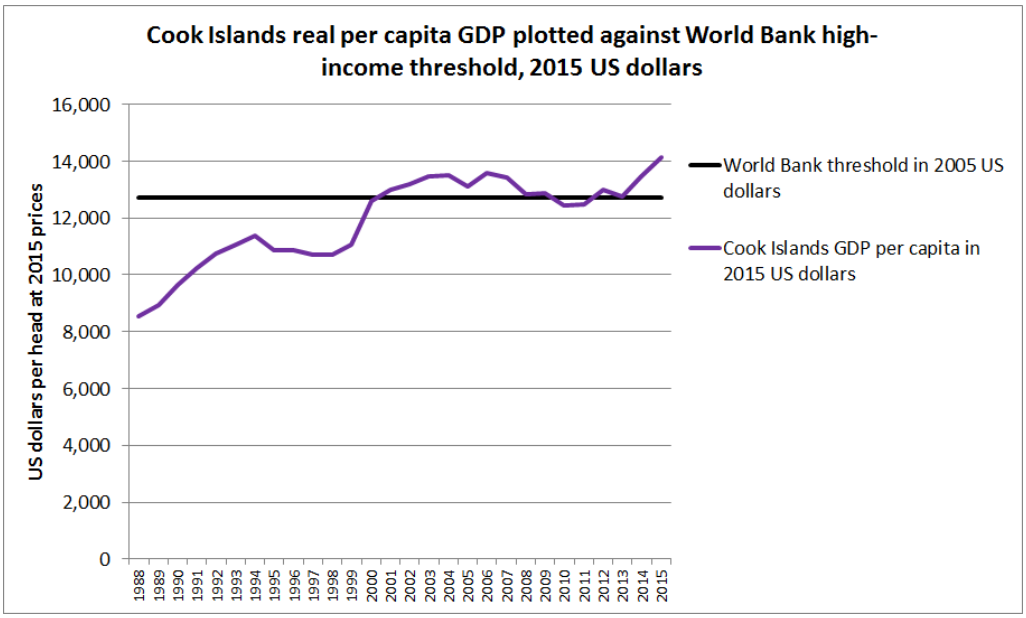
Chart 15



Source: Table 8

are rounded to end with five and the GNI per capita estimate are rounded to end with zero. World Bank, *Why use GNI per capita to classify economies into income groupings?* https://datahelpdesk.worldbank.org/knowledgebase/articles/378831-why-use-gni-per-capita-to-classify-economies-into, accessed July 2016.

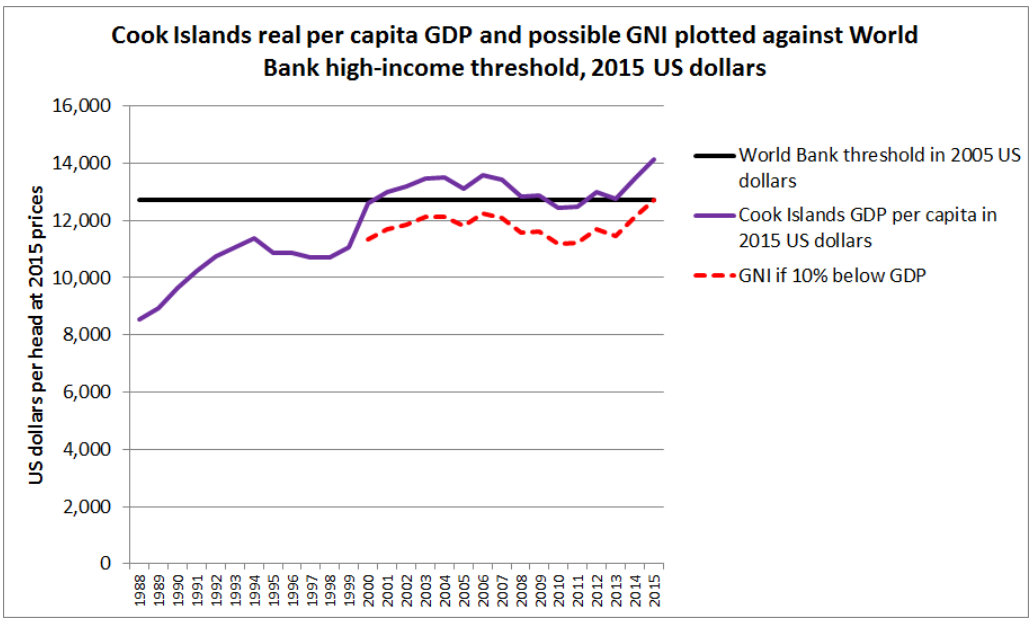
Chart 16



Source: Table 8

Chart 17 shows that if (as could well turn out to be the case) the Cook Islands GNI is actually 10% less than its GDP, then the graduation threshold has not yet been reached. Clearly, if graduation is considered something worth deferring for a few years, it is important to obtain estimates of GNI.

Chart 17



How much of a threat is graduation? The Cook Islands will not be the first small island economy to go through the graduation threshold. Since the World Bank league table was started in 1988, 42 countries have been graduated off the list[11]. They are (with island countries of under 1.5 million population highlighted:

[11] The current list, plus countries that have graduated, is in Table 8 at the end of this paper.

	Year of removal from DAC list
Portugal	1991
French Guyana	1992
Guadeloupe	1992
Martinique	1992
Reunion	1992
St Pierre et Miquelon	1992
Greece	1995
Bahamas	1996
Brunei	1996
Kuwait	1996
Qatar	1996
Singapore	1996
UAE	1996
Bermuda	1997
Cayman Islands	1997
Taiwan	1997
Cyprus	1997
Falkland Islands	1997
Hong Kong	1997
Israel	1997
Aruba	2000
British Virgin Islands (2000)	2000
French Polynesia	2000
Gibraltar	2000
Korea	2000
Libya	2000
Macau	2000
Netherlands Antilles	2000
New Caledonia	2000
Northern Marianas Islands	2000
Malta	2003
Slovenia	2003
Bahrain	2005
Saudi Arabia	2008
Turks and Caicos Islands	2008
Barbados	2011
Croatia	2011
Mayotte	2011
Oman	2011
Trinidad and Tobago	2011
Anguilla	2014

St Kitts and Nevis	2014

Of the 42 graduates no fewer than 23 – over half – are small island economies. To get some idea of how the move to high-income stats has affected them, we can look at the track of their per capita GDP – and wherever possible, their per capita GNI - before and after graduating.

Consider first four small island economies that graduated off the DAC list in the 1990s: Guadeloupe and Martinique (1992), Bahamas (1996) and Bermuda (1998). Their histories are summarised in Charts 18-21. In three of the four there is no break in long-run income trends at the point of graduation. In the case of the Bahamas there is a slight slackening of growth in the decade after graduation, but it does not seem likely that this was related to aid, because aid to the Bahamas had been virtually zero from 1960 through to graduation in 1996.

What is very clear in all four cases is the devastating impact of the Global Financial Crisis of 2008 in halting or reversing growth – something to be borne in mind when looking at small islands that graduated after 2000.

Chart 18

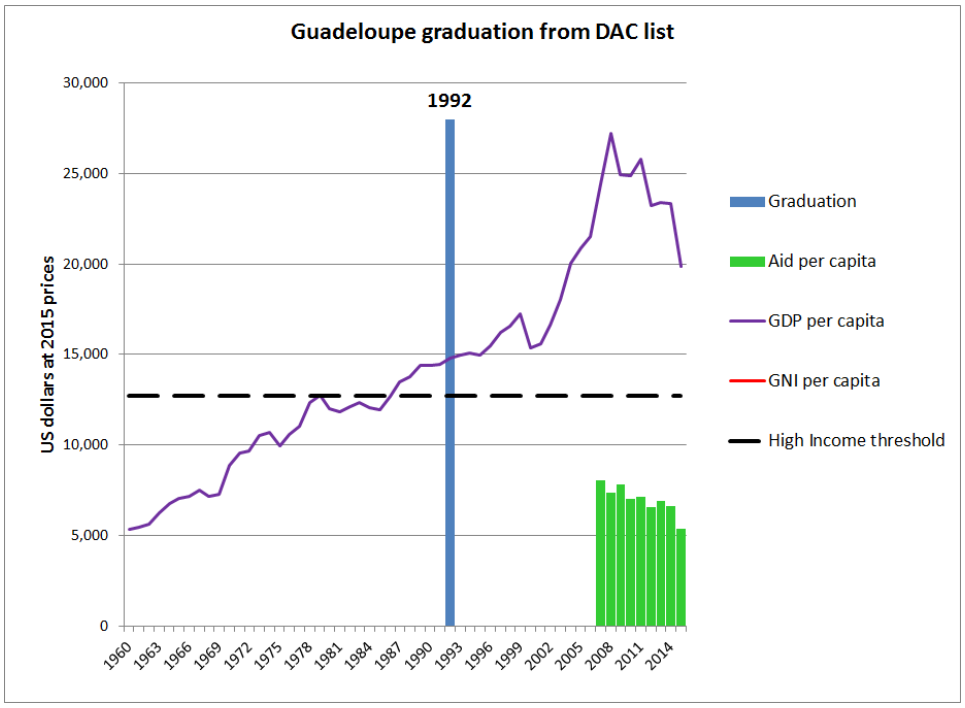


Chart 19

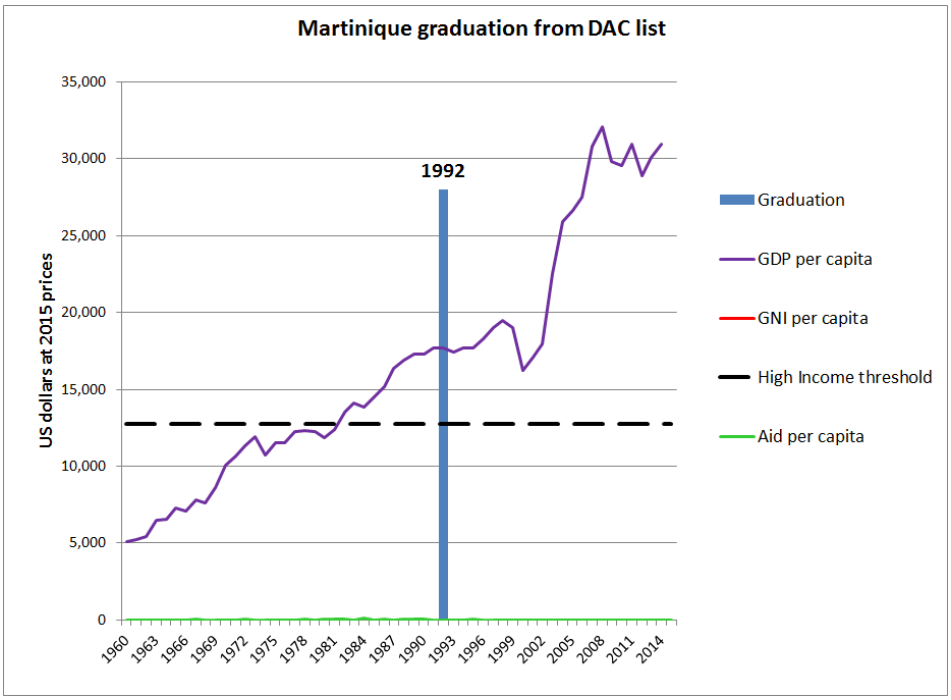


Chart 20

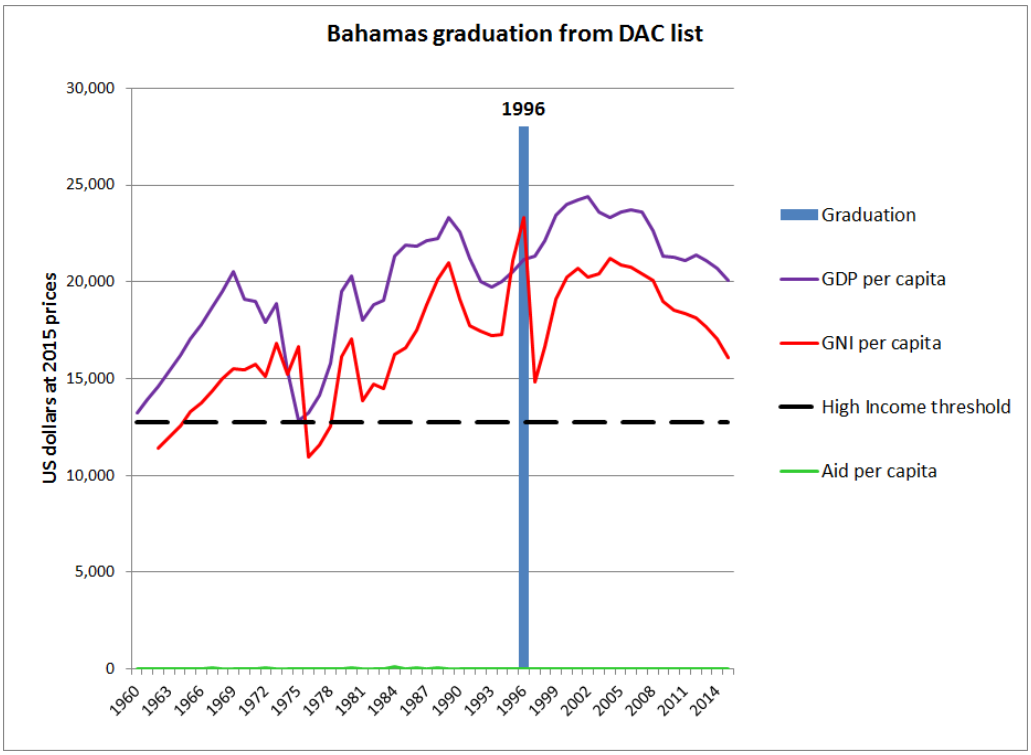
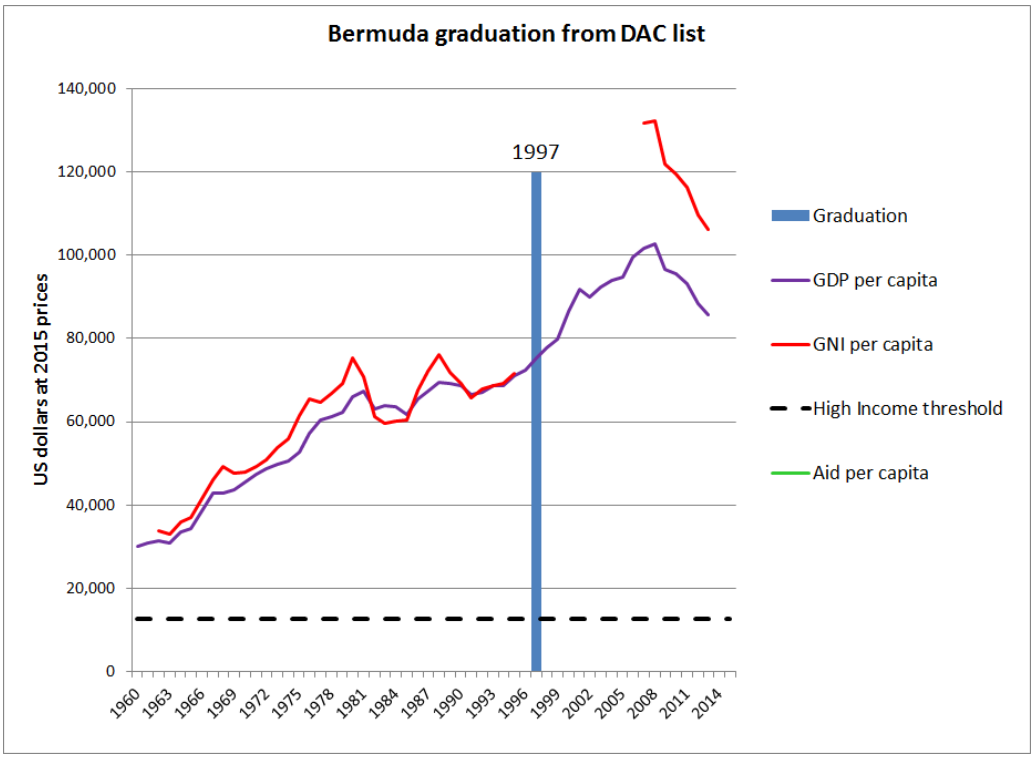


Chart 21



Turning to the years 2000-2008, Charts 22-26 show four more small island economies graduating in that period: French Polynesia, Aruba, New Caledonia, and Turks and Caicos. For the three that graduated in 2000, no impact on their growth paths is visible. For Turks and Caicos, which graduated in 2008 as the GFC struck, any effect of graduation is swamped by the GFC, which hit all four economies hard.

Chart 22

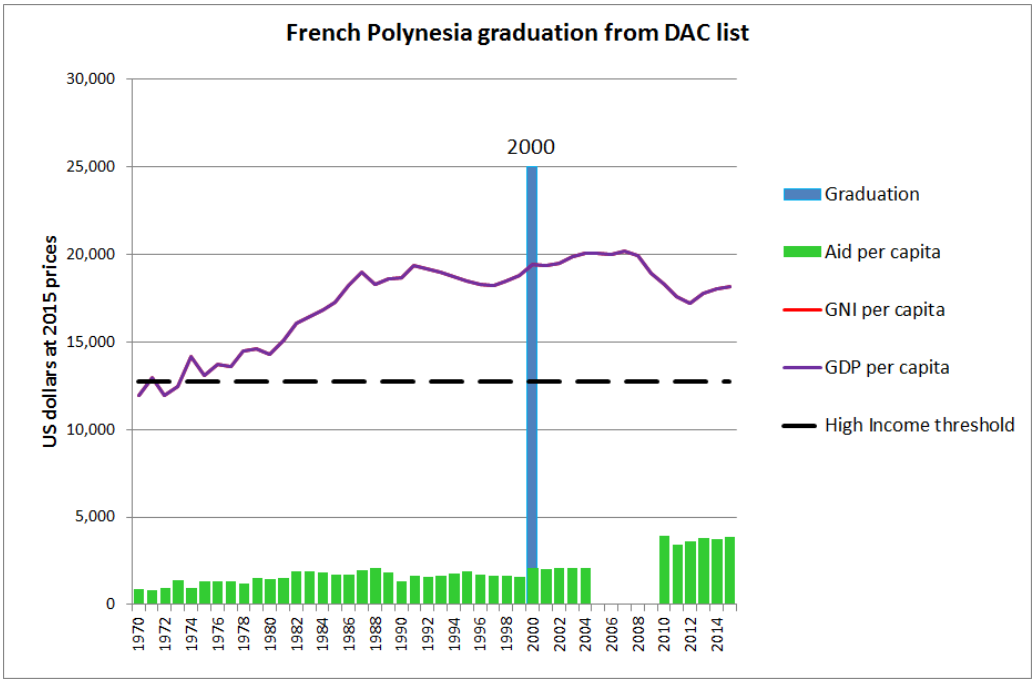


Chart 23

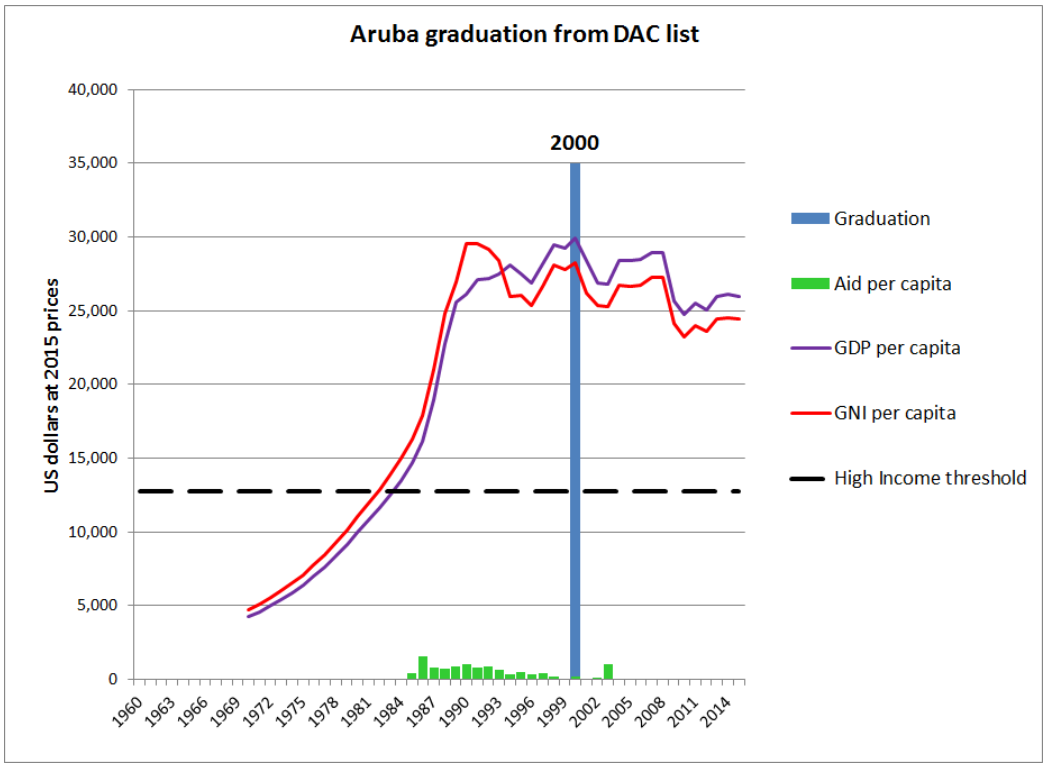


Chart 24

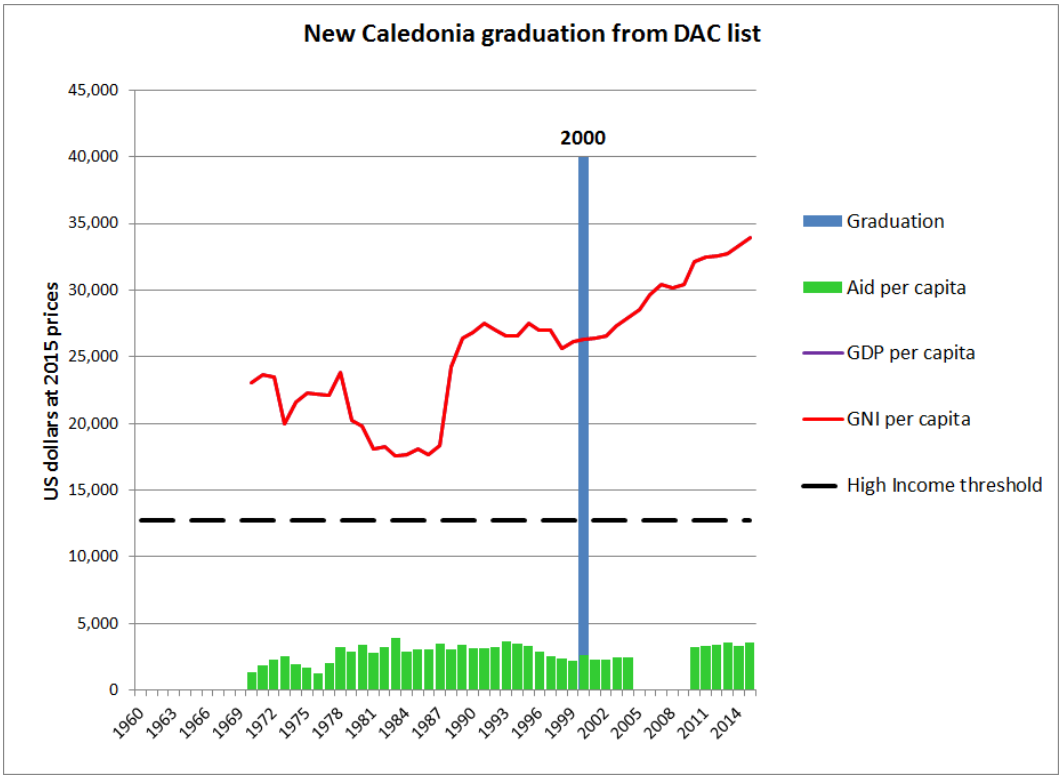
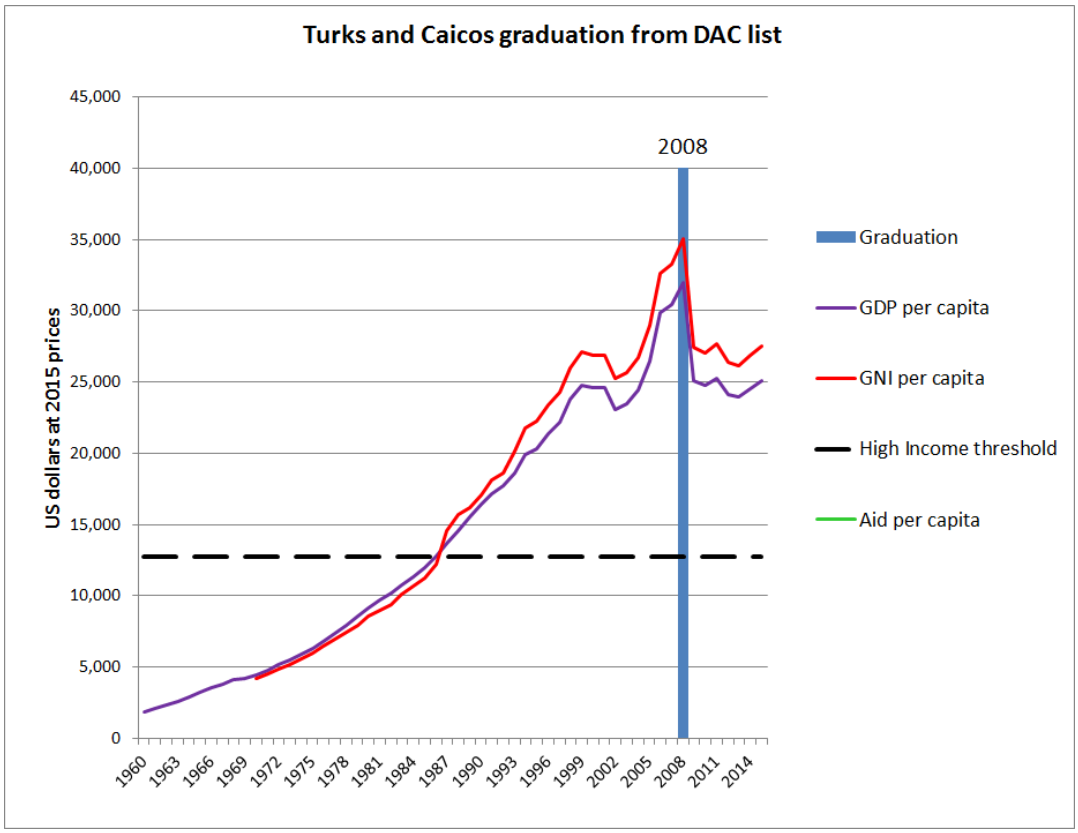


Chart 25



Finally, we turn to small islands that graduated after the GFC: Barbados (2011), Mayotte (2011), St Kitts and Nevis (2014), Anguilla (2014). All show a downturn coinciding with the GFC, but none show any impact effect of graduation. Intriguingly, according to the available official GDP data, Mayotte may have been a case of premature graduation – but the notable feature of Mayotte is the complete absence of any change in the large flows of aid from metropolitan France that sustain the economy of Mayotte.

Chart 26

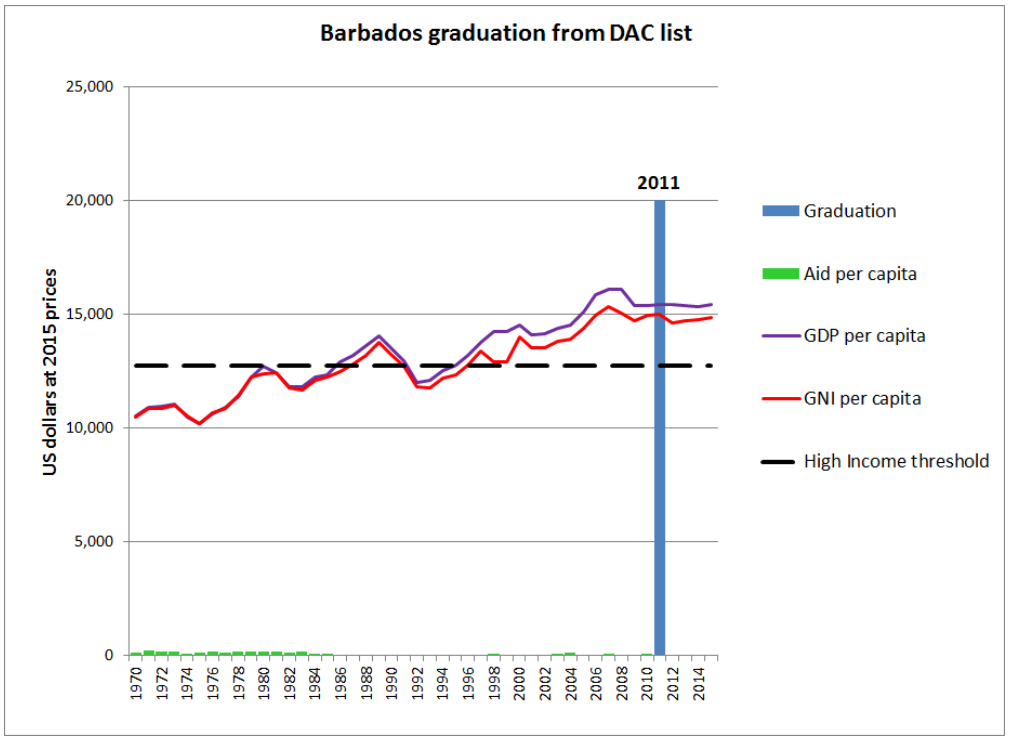


Chart 27

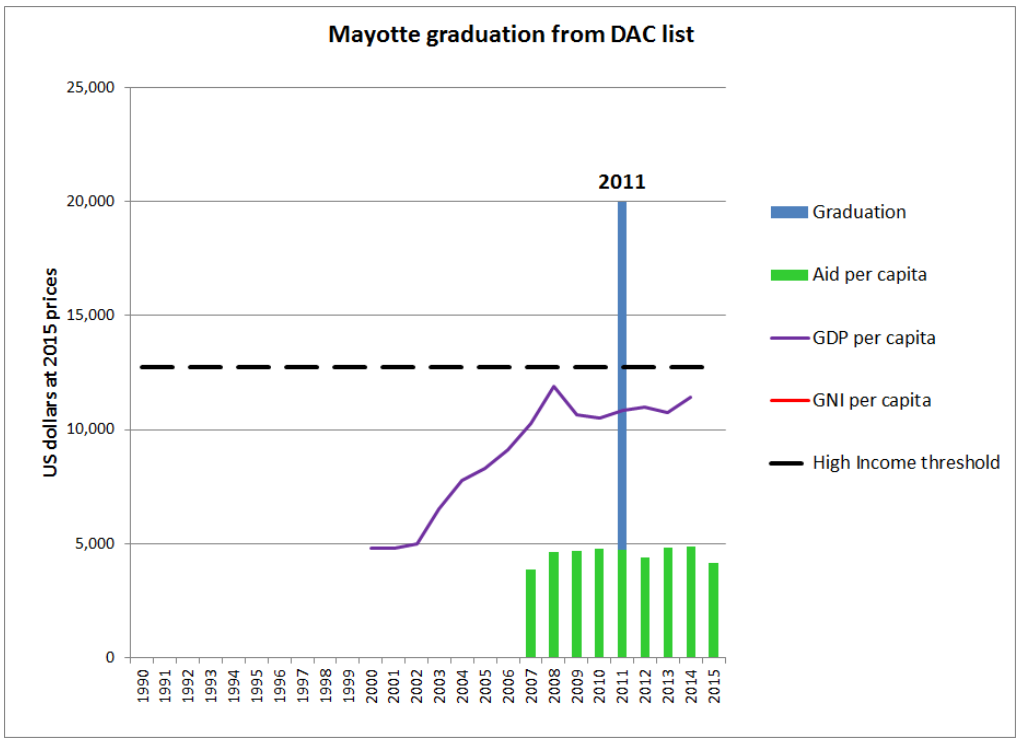


Chart 28

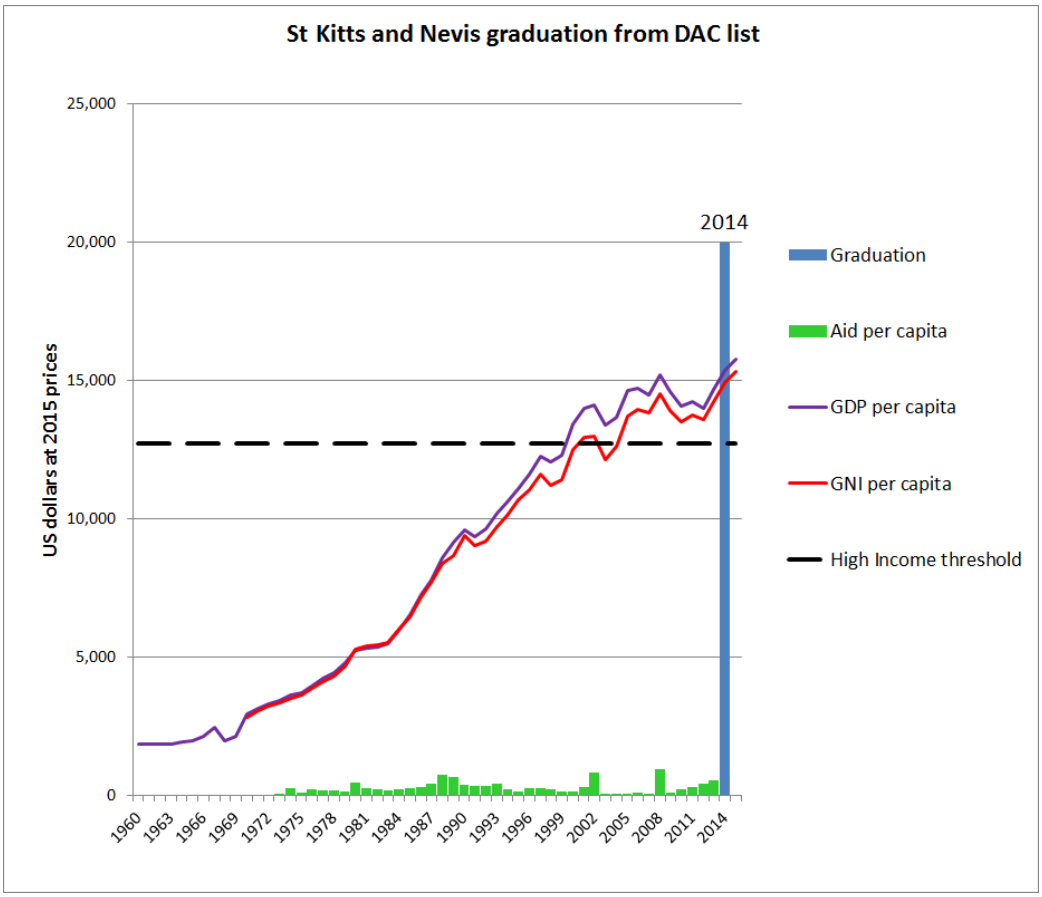
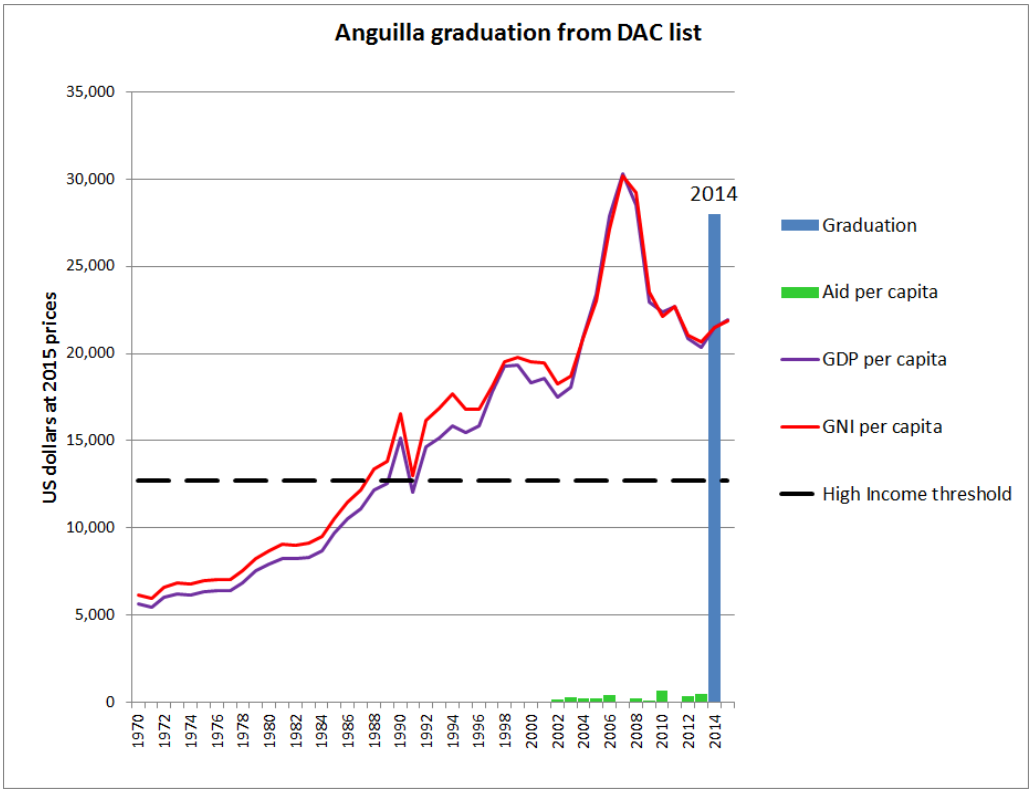


Chart 29



5. Conclusion

Many small island economies around the world have graduated to high-income status without suffering obvious setbacks, and there seems no reason to expect the Cook Islands experience to be different. It would be surprising if New Zealand were to withdraw its aid simply because of graduation; more likely is the sort of continued support shown by France towards its small-island departments and collectivities.

Overseas aid's role in the Cook Islands is basically to sustain the Government's finances while tax revenue is held below the 25% of GDP threshold. The Cook Islands economy does not lack the means to support itself and to fund its capital requirements, public as well as private. But with Government spending 40% of GDP and collecting 30%, the other 10% has to come from somewhere, and at present, overseas aid is the answer to that.

Table 1: Overseas aid in the Cook Islands Government's finances, NZ $ million

Fiscal years	Operating expense	Total spending including capital works	Operating revenue	Tier 1: Small-scale grants	Tier 2: Budget support	Tier 3: Capital aid	Total aid grants
1987	35	38	24				10
1988	40	42	32				11
1989	43	45	32				9
1990	47	49	37				9
1991	62	65	49				11
1992	63	69	48				10
1993	61	64	52				9
1994	64	67	59				8
1995	69	74	57				8
1996	67	69	48				8
1997	56	59	44				12
1998	58	66	45				10
1999	54	62	45				4
2000	63	71	54				5
2001	75	83	66				12
2002	84	93	67				7
2003	81	88	69				10
2004	84	90	71				10
2005	86	96	76				16
2006	95	109	79				22
2007	93	104	82				21
2008	86	95	90				17
2009	95	113	90				21
2010	100	117	121				18
2011	130	144	127				30
2012	123	136	125				27
2013	130	151	130				31
2014	118	155	118				33
2015	130	185	128	12	6	15	32
2016	145	181	139	18	11	12	40
2017	149	230	135	17	11	40	68

Table 2: Cook Islander population 1896-2016

Year	Cook Islands resident population	Cook Islands Maori in New Zealand	Cook Islanders in Australia	Cook Islanders in USA	Cook Islanders in Makatea	Total Cook Islander population
1896	9,000	3				9,003
1901	*8,759*	25				8,784
1906	8,518	*56*				8,574
1911	8,648	*87*				8,735
1916	8,917	*118*				9,035
1921	9,352	149				9,501
1926	10,082	*152*				10,234
1931	11,164	*154*				11,318
1936	12,246	157				12,403
1941	13,269	*190*			*20*	13,479
1946	14,253	222			*120*	14,595
1951	15,079	1,085			309	16,473
1956	16,680	2,320			48	19,048
1961	18,378	4,499				22,877
1966	19,200	8,663				27,863
1971	21,200	13,581				34,781
1976	18,300	18,556				36,856
1981	17,400	23,880				41,280
1986	16,700	30,086	1,458	2,000		50,244
1991	18,200	37,857	2,309	2,500		60,866
1996	18,800	47,019	2,964	*3,000*		71,783
2001	14,100	51,486	10,752	*4,000*		80,338
2006	14,900	58,008	11,401	4,500		88,809
2013	14,100	61,839	16,193	5,000		97,132
2016	12,025					

Sources: Moss (1895), Censuses of New Zealand, Australia and the USA, New Zealand reports of the Department of Island Territories, Hayes (1991 p.5 Table 1), Sudo (1997 p.102), Cook Islands Statistics Office online data at http://www.mfem.gov.ck/images/documents/Statistics_Docs/2.Social/Population_Estimates__Vital_Statistics/2016/BDM_Statistics_Tables_201603.xls .

Table 3: Alternative calculations for per capita GDP

Year	(1) Real GDP $m at constant 2015 prices	(2) UN population series	(3) Per capita GDP according to UN	(4) Resident population according to MFEM	(5) Per capita GDP using CISO resident population	(6) Total population using MFEM data	(7) Per capita GDP using CISO total population
1970	143.0	21,406	6,682	20,800	6,877	20,800	6,877
1971	127.9	21,507	5,948	21,200	6,035	21,200	6,035
1972	113.4	21,422	5,295	21,300	5,326	21,300	5,326
1973	118.0	21,177	5,571	20,800	5,672	20,800	5,672
1974	119.2	20,808	5,727	19,400	6,143	19,400	6,143
1975	117.6	20,355	5,776	18,300	6,425	18,300	6,425
1976	109.1	19,810	5,505	18,300	5,959	18,300	5,959
1977	108.6	19,183	5,659	18,600	5,837	18,600	5,837
1978	105.6	18,549	5,693	18,500	5,708	18,500	5,708
1979	109.8	18,006	6,100	18,200	6,035	18,200	6,035
1980	111.6	17,623	6,334	17,900	6,236	17,900	6,236
1981	106.8	17,437	6,127	17,400	6,140	17,400	6,140
1982	109.8	17,425	6,302	17,400	6,311	17,400	6,311
1983	110.5	17,527	6,306	17,400	6,352	17,400	6,352
1984	127.4	17,649	7,218	17,100	7,450	17,100	7,450
1985	138.6	17,722	7,819	17,200	8,057	17,200	8,057
1986	149.9	17,724	8,458	16,700	8,977	16,700	8,977
1987	147.7	17,677	8,353	16,500	8,949	16,500	8,949
1988	150.3	17,611	8,535	17,700	8,492	17,700	8,492
1989	157.1	17,579	8,936	16,500	9,520	16,500	9,520
1990	169.5	17,613	9,626	17,000	9,973	17,000	9,973
1991	181.6	17,730	10,244	18,200	9,980	18,200	9,980
1992	192.5	17,909	10,748	17,500	10,999	19,000	10,131
1993	200.0	18,103	11,047	17,300	11,559	19,700	10,151
1994	207.8	18,250	11,387	18,400	11,294	19,500	10,657
1995	198.7	18,305	10,856	18,400	10,800	19,400	10,243
1996	198.2	18,244	10,863	18,800	10,541	20,000	9,909
1997	193.5	18,093	10,696	17,500	11,058	18,400	10,518
1998	192.0	17,915	10,719	16,700	11,499	17,500	10,973
1999	197.2	17,806	11,074	15,600	12,640	16,500	11,950
2000	224.5	17,826	12,596	15,000	14,969	18,000	12,474
2001	233.7	18,003	12,982	14,100	16,575	18,300	12,771
2002	241.3	18,308	13,179	14,800	16,303	18,400	13,113
2003	251.7	18,690	13,466	13,900	18,106	18,400	13,678
2004	257.2	19,072	13,486	13,500	19,053	20,300	12,671
2005	254.3	19,399	13,108	13,800	18,426	21,500	11,827
2006	267.0	19,656	13,584	14,900	17,920	23,800	11,219
2007	266.5	19,859	13,418	14,800	18,005	21,000	12,689
2008	257.1	20,018	12,844	14,300	17,979	21,900	11,740
2009	259.8	20,154	12,892	13,300	19,536	22,600	11,497
2010	252.1	20,284	12,428	11,900	21,184	23,700	10,637
2011	254.6	20,407	12,475	14,700	17,318	19,300	13,191
2012	266.5	20,518	12,989	14,300	18,636	19,500	13,667
2013	262.7	20,621	12,742	14,100	18,635	18,600	14,126
2014	278.9	20,725	13,458	13,600	20,509	18,600	14,996
2015	294.1	20,833	14,119	13,000	22,626	18,700	15,729

Sources: Column 1 is GDP in current US$ converted to real 2015 US$ using the GDP deflator, Column 2 is the UN population series, and Column 3 is calculated from these; all data downloaded 24 May 2017 from **https://unstats.un.org/unsd/snaama/resQuery.asp** .
Columns 4 and 6 are total and resident population from http://www.mfem.gov.ck/images/documents/Statistics_Docs/2.Social/Population_Estimates__Vital_Statistics/2016/BDM_Statistics_Tables_201603.xls downloaded 23 May 2017.
Columns 5 and 7 are GDP from Column 1 divided by resident and total population from, respectively, Columns 4 and 6.

Table 4: Aid to the Cook Islands relative to GDP

	DAC data		ADB data			% of Cook Islands GDP		
Year	(1) New Zealand aid US$m	(2) Total aid, all donors US$m	(3) Cook Islands Government 'grants' revenue NZ$m	(4) GDP in US$m	(5) GDP in NZ$m	(6) New Zealand aid	(7) All aid	(8) CI Govt 'grants' revenue
1972	6.42	6.42		10.66	8.92	60.2	60.2	
1973	7.02	7.05		13.81	10.17	50.8	51.1	
1974	5.53	5.75		16.22	11.60	34.1	35.4	
1975	5.31	5.62		15.90	13.24	33.4	35.3	
1976	6.36	6.68		15.03	15.10	42.3	44.5	
1977	6.95	7.49		17.47	18.00	39.8	42.9	
1978	6.38	6.95		20.31	19.59	31.4	34.2	
1979	6.86	7.75		23.15	22.65	29.6	33.5	
1980	10.09	11.42		25.51	26.20	39.5	44.8	
1981	9.52	11.67		26.28	30.29	36.2	44.4	
1982	9.96	11.56		26.28	35.03	37.9	44.0	
1983	8.46	10.56		25.98	38.88	32.6	40.7	
1984	6.91	8.05		26.99	47.61	25.6	29.8	
1985	8.1	10.81		28.21	57.08	28.7	38.3	
1986	23.56	27.44		36.36	69.57	64.8	75.5	
1987	8.27	11.05		46.25	78.38	17.9	23.9	
1988	8.83	11.92		58.89	89.89	15.0	20.2	
1989	9.88	12.75		59.52	99.53	16.6	21.4	
1990	8.43	11.38		66.52	111.50	12.7	17.1	
1991	8.8	20.47	11.09	72.53	125.73	12.1	28.2	8.8
1992	7.81	41.77	9.63	74.96	139.56	10.4	55.7	6.9
1993	7.04	-12.16	8.96	83.82	155.10	8.4	-14.5	5.8
1994	8.03	-22.42	8.45	99.50	167.81	8.1	-22.5	5.0
1995	8.22	13.04	8.10	105.92	161.41	7.8	12.3	5.0
1996	5.59	10.38	7.70	106.81	155.39	5.2	9.7	5.0
1997	5.73	9.47	11.59	98.19	148.51	5.8	9.6	7.8
1998	4.3	7.7	10.18	85.63	159.98	5.0	9.0	6.4
1999	3.05	5.79	4.45	91.69	173.26	3.3	6.3	2.6
2000	2.08	4.15	5.10	91.63	201.70	2.3	4.5	2.5
2001	2.29	4.64	11.95	96.24	228.92	2.4	4.8	5.2
2002	2.68	3.48	13.20	111.20	240.43	2.4	3.1	5.5
2003	3.41	5.24	10.00	152.77	263.09	2.2	3.4	3.8
2004	3.80	7.31	10.04	178.48	269.26	2.1	4.1	3.7
2005	4.65	8.63	15.75	182.56	259.28	2.5	4.7	6.1
2006	4.77	34.68	21.71	187.85	289.68	2.5	18.5	7.5
2007	5.66	8.93	21.27	227.94	310.15	2.5	3.9	6.9
2008	3.78	4.65	16.90	233.44	332.12	1.6	2.0	5.1
2009	2.88	6.37	21.17	214.69	343.70	1.3	3.0	6.2
2010	9.81	24.40	18.42	255.15	354.10	3.8	9.6	5.2
2011	15.15	33.88	29.69	286.30	362.40	5.3	11.8	8.2
2012	18.63	34.41	27.05	302.12	372.90	6.2	11.4	7.3
2013	12.00	25.22	31.07	301.54	367.70	4.0	8.4	8.5
2014	23.12	29.55	33.20	317.56	382.80	7.3	9.3	8.7
2015	17.31	26.86	32.40	294.13	421.78	5.9	9.1	7.7

Sources: Columns (1) and (2) downloaded from the OECD's Development Assistance Committee database.
Column 3 downloaded from the Asian Development Bank's Key Indicators database.
Columns (4) and (5) downloaded from the UNSNAA database.
Columns (6)-(8) calculated.

Table 5: Aid to the Cook Islands, % of GDP, five-year averages

	Totals					Average % of GDP		
	New Zealand aid US$m	Total aid, all donors US$m	CI Govt 'grants' revenue NZ$m	GDP in US$m	GDP in NZ$m	New Zealand aid	All aid	CI Govt grants revenue
1972-75	24	25		57	44	42.9	43.9	
1976-80	37	40		101	102	36.1	39.7	
1981-85	43	53		134	209	32.1	39.4	
1986-90	59	75		268	449	22.0	27.9	
1991-95	40	41	46	437	750	9.1	9.3	6.2
1996-2000	21	37	39	474	839	4.4	7.9	4.7
2001-05	17	29	61	721	1,261	2.3	4.1	4.8
2006-10	27	79	99	1,119	1,630	2.4	7.1	6.1
2011-15	86	150	153	1,502	1,908	5.7	10.0	8.0

Source: Table 3.

Table 6: Role of aid grants in Cook Islands Government budget

		Data in NZ $million									% of GDP				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	Tax revenue	Total operating revenue	Operating expense	Operating balance (2-3)	Grants	Capital spending	Overall balance (4+5-6)	Revenue plus grants (2+5)	GDP	Tax revenue	Total operating revenue	Revenue plus grants (2+5)	Operating expense	Capital spending	Total expenditure
1987	21	24	35	-11	10	3	-3	35	78	27	31	45	45	4	48
1988	29	32	40	-8	11	2	1	43	90	33	36	48	44	2	47
1989	30	32	43	-11	9	2	-4	41	100	30	32	41	43	2	45
1990	33	37	47	-10	9	2	-3	46	112	30	33	41	42	2	44
1991	46	49	62	-13	11	3	-5	60	126	36	39	48	49	2	52
1992	47	48	63	-14	10	6	-11	58	140	33	34	42	45	4	49
1993	49	52	61	-8	9	3	-2	61	155	32	34	39	39	2	41
1994	55	59	64	-5	8	3	0	67	168	33	35	40	38	2	40
1995	53	57	69	-12	8	5	-9	65	161	33	35	40	43	3	46
1996	45	48	67	-18	8	2	-13	56	155	29	31	36	43	1	44
1997	37	44	56	-12	12	3	-3	56	149	25	30	38	38	2	40
1998	34	45	58	-14	10	8	-12	55	160	21	28	34	36	5	41
1999	38	45	54	-8	4	8	-11	50	173	22	26	29	31	5	36
2000	45	54	63	-8	5	8	-11	59	202	22	27	29	31	4	35
2001	55	66	75	-9	12	8	-5	78	229	24	29	34	33	3	36
2002	60	67	84	-17	7	9	-18	74	240	25	28	31	35	4	39
2003	61	69	81	-12	10	7	-9	79	263	23	26	30	31	3	33
2004	60	71	84	-13	10	6	-9	81	269	22	26	30	31	2	33
2005	66	76	86	-10	16	10	-5	92	259	25	29	35	33	4	37
2006	68	79	95	-16	22	14	-8	101	290	23	27	35	33	5	38
2007	70	82	93	-11	21	11	-1	103	310	22	26	33	30	4	34
2008	77	90	86	3	17	9	11	107	332	23	27	32	26	3	29
2009	79	90	95	-5	21	18	-2	111	344	23	26	32	28	5	33
2010	90	121	100	21	18	17	23	139	354	26	34	39	28	5	33
2011	91	127	130	-3	30	14	13	157	362	25	35	43	36	4	40
2012	88	125	123	2	27	13	15	152	373	24	34	41	33	3	36
2013	94	130	130	0	31	21	10	161	368	26	35	44	35	6	41
2014	105	118	118	0	33	37	-3	151	383	27	31	39	31	10	40
2015	107	128	130	-2	32	55	-25	161	422	25	30	38	31	13	44
2016	109	139	145	-6	40	36	-1	179	418	26	33	43	35	9	43

Source: Bertram 2016 p.26, based on Asian Development Bank database, Cook Islands Statistical Yearbook, and Cook Island Government budget documents.

Table 7: Cook Islands External Indebtedness

	% of GDP			NZ $million	
	(1) Total debt outstanding and disbursed ADB data	(2) Gross debt MFEM data	(3) Net debt MFEM data	(4) Gross debt MFEM data	(5) Net debt MFEM data
2000	60.1				
2001	56.1				
2002	52.7				
2003	43.9				
2004	41.7				
2005	38.7				
2006	20.5				
2007	15.3				
2008	14.9				
2009	19.3				
2010	29.7				
2011	23.3				
2012	26.2				
2013	27.7	24.2	19.3	88.98	71.1
2014	25.6	23.7	19.3	90.85	73.99
2015	24.6	21.4	17.5	90.46	73.82
2016		26.8	21.1	120.2	94.7
2017			23.6		

Sources: Asian Development Bank Key Indicators table at https://www.adb.org/sites/default/files/publication/204091/coo.xlsx downloaded 25 May2017; Cook islands Government *2012/13 Budget* Book 1 p.100 Table 10.2; *June 2014 Quarterly Financial Report* p.14 Table 13; *2015/16 Half Yearly Economic and Fiscal Update* December 2015 p.73 Table 7.3; *2016/17 Budget* Book 1 p.117 Table 10.1.

Table 8: Cook Islands GDP per capita and the "High Income" graduation threshold

	(1) World Bank High Income threshold US Dollars per capita	(2) Cook Islands GDP per capita in US Dollars	(3) Ratio (% of threshold) 1÷2	(4) Exchange rate, NZD per USD	(5) World Bank High Income threshold in NZ Dollars	(6) Cook Islands GDP per capita in NZ Dollars	(7) World Bank threshold in 2005 US dollars	(8) Cook Islands GDP per capita in 2005 US dollars
1988	6,000	3,331	56%	1.53	9,158	5,085	12,735	8,535
1989	6,000	3,413	57%	1.67	10,033	5,707	12,735	8,936
1990	6,000	3,832	64%	1.68	10,057	6,423	12,735	9,626
1991	7,620	4,086	54%	1.73	13,209	7,083	12,735	10,244
1992	7,910	4,186	53%	1.86	14,727	7,793	12,735	10,748
1993	8,355	4,630	55%	1.85	15,461	8,568	12,735	11,047
1994	8,625	5,452	63%	1.69	14,546	9,195	12,735	11,387
1995	8,955	5,786	65%	1.52	13,646	8,818	12,735	10,856
1996	9,385	5,854	62%	1.45	13,654	8,517	12,735	10,863
1997	9,645	5,427	56%	1.51	14,587	8,208	12,735	10,696
1998	9,655	4,780	50%	1.87	18,038	8,930	12,735	10,719
1999	9,360	5,149	55%	1.89	17,687	9,730	12,735	11,074
2000	9,265	5,140	55%	2.20	20,394	11,315	12,735	12,596
2001	9,265	5,346	58%	2.38	22,039	12,716	12,735	12,982
2002	9,205	6,074	66%	2.16	19,903	13,132	12,735	13,179
2003	9,075	8,174	90%	1.72	15,628	14,076	12,735	13,466
2004	9,385	9,358	100%	1.51	14,159	14,118	12,735	13,486
2005	10,065	9,411	94%	1.42	14,295	13,366	12,735	13,108
2006	10,725	9,557	89%	1.54	16,539	14,737	12,735	13,584
2007	11,115	11,478	103%	1.36	15,124	15,617	12,735	13,418
2008	11,455	11,661	102%	1.42	16,297	16,591	12,735	12,844
2009	11,905	10,653	89%	1.60	19,058	17,054	12,735	12,892
2010	12,195	12,579	103%	1.39	16,925	17,457	12,735	12,428
2011	12,275	14,029	114%	1.27	15,538	17,759	12,735	12,475
2012	12,475	14,981	120%	1.23	15,398	18,491	12,735	12,989
2013	12,615	14,317	113%	1.22	15,383	17,458	12,735	12,742
2014	12,745	15,003	118%	1.21	15,363	18,085	12,735	13,458
2015	12,735	14,119	111%	1.43	18,262	20,246	12,735	14,119

Sources: Column 1 from http://siteresources.worldbank.org/DATASTATISTICS/Resources/OGHIST.xls and Column 5 is this series converted to NZ dollars using the annual average exchange rate in Column 4. Columns 2 and 7 from http://unstats.un.org/unsd/snaama/selbasicFast.asp;
Column 6 calculated from the same UNSNAA website's series for GDP in current NZD and population. Both Column 2 and Column 6 are for calendar years according to http://unstats.un.org/unsd/snaama/notes.asp.
Column 4 1988-2014 from http://unstats.un.org/unsd/snaama/selbasicFast.asp, reported as IMF average rate for the year; 2015 and 2016 are calendar-year averages calculated from IMF International Financial Statistics database at http://data.imf.org/?sk=5dabaff2-c5ad-4d27-a175-1253419c02d1 .
Column 8 is real GDP in 2005 US dollars fromhttp://unstats.un.org/unsd/snaama/selbasicFast.asp , divided by population from the same source.

Table 9: Countries on the DAC List at 2014, plus those graduated since 1988 (Island economies with population below 1.5 million highlighted)

Least Developed Countries and Territories	Other Low Income Countries	Lower Middle Income Countries and Territories	Upper Middle Income Countries	Countries graduated from DAC list 1988-2014	Year of graduation
	(per capita GNI <= $1,045 in 2013)	(per capita GNI $1,046 - $4,125 in 2013)	(per capita GNI $4,126- $12,745 in 2013)		
Afghanistan	Democratic People's Republic of Korea	Armenia	Albania	**Anguilla**	2014
Angola	Kenya	Bolivia	Algeria	**Aruba**	2000
Bangladesh	Tajikistan	**Cabo Verde**	**Antigua and Barbuda**[2]	**Bahamas**	1996
Benin	Zimbabwe	Cameroon	Argentina	**Bahrain**	2005
Bhutan		Congo	Azerbaijan	**Barbados**	2011
Burkina Faso		Côte d'Ivoire	Belarus	**Bermuda**	1997
Burundi		Egypt	Belize	**British Virgin Islands (2000)**	2000
Cambodia		El Salvador	Bosnia and Herzegovina	Brunei	1996
Central African Republic		Georgia	Botswana	**Cayman Islands**	1997
Chad		Ghana	Brazil	Croatia	2011
Comoros		Guatemala	Chile[2]	**Cyprus**	1997
Democratic Republic of the Congo		Guyana	China (People's Republic of)	**Falkland Islands**	1997
Djibouti		Honduras	Colombia	French Guyana	1992
Equatorial Guinea[1]		India	**Cook Islands**	**French Polynesia**	2000
Eritrea		Indonesia	Costa Rica	Gibraltar	2000
Ethiopia		Kosovo	Cuba	Greece	1995
Gambia		Kyrgyzstan	**Dominica**	**Guadeloupe**	1992
Guinea		**Micronesia**	Dominican Republic	Hong Kong	1997
Guinea-Bissau		Moldova	Ecuador	Israel	1997
Haiti		Mongolia	**Fiji**	Korea	2000
Kiribati		Morocco	Former Yugoslav Republic of Macedonia	Kuwait	1996
Lao People's Democratic Republic		Nicaragua	Gabon	Libya	2000
Lesotho		Nigeria	**Grenada**	Macau	2000
Liberia		Pakistan	Iran	**Malta**	2003
Madagascar		Papua New Guinea	Iraq	**Martinique**	1992
Malawi		Paraguay	Jamaica	**Mayotte**	2011

Mali		Philippines	Jordan	**Netherlands Antilles**	2000
Mauritania		**Samoa**	Kazakhstan	**New Caledonia**	2000
Mozambique		Sri Lanka	Lebanon	**Northern Marianas Islands**	2000
Myanmar		Swaziland	Libya	Oman	2011
Nepal		Syrian Arab Republic	Malaysia	Portugal	1991
Niger		**Tokelau**	**Maldives**	Qatar	1996
Rwanda		Ukraine	**Marshall Islands**	**Reunion**	1992
Sao Tome and Principe		Uzbekistan	**Mauritius**	Saudi Arabia	2008
Senegal		Viet Nam	Mexico	Singapore	1996
Sierra Leone		West Bank and Gaza Strip	Montenegro	Slovenia	2003
Solomon Islands			**Montserrat**	**St Kitts and Nevis**	2014
Somalia			Namibia	**St Pierre et Miquelon**	1992
South Sudan			**Nauru**	Taiwan	1997
Sudan			**Niue**	**Trinidad and Tobago**	2011
Tanzania			**Palau**	**Turks and Caicos Islands**	2008
Timor-Leste			Panama	UAE	1996
Togo			Peru		
Tuvalu			**Saint Helena**		
Uganda			**Saint Lucia**		
Vanuatu			**Saint Vincent and the Grenadines**		
Yemen			Serbia		
Zambia			**Seychelles**		
			South Africa		
			Suriname		
			Thailand		
			Tonga		
			Tunisia		
			Turkey		
			Turkmenistan		
			Uruguay[2]		
			Venezuela		
			Wallis and Futuna		

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