

## SIDS4 Highlights: Tuesday, 28 May 2024

Delegates at the Fourth International Conference on Small Island Developing States (SIDS) continued hearing country statements in plenary and had opportunities to attend interactive dialogues, a high-level meeting in the morning and a special event in the evening. Numerous side events also took place.

### General Debate

The general debate continued with statements by government representatives from SIDS and from partner governments. For the webcast of speakers' interventions, please see [webtv.un.org](http://webtv.un.org).

Many statements hailed the advisory opinion on climate change issued by the International Tribunal for the Law of the Sea, and the request for an advisory opinion from the International Court of Justice on climate change responsibilities of States.

Nepal, on behalf of the LEAST DEVELOPED COUNTRIES (LDCs), emphasized prioritizing SIDS' needs at the Summit of the Future in September 2024 and the Fourth International Conference on Financing for Development in June 2025.

PAPUA NEW GUINEA responded to the many condolences offered regarding the natural disaster in his country, saying, "It is a clear reminder of the vulnerabilities facing SIDS." He emphasized strengthening national capacity in resilience-building measures, including disaster warnings at all levels.

GUINEA-BISSAU underlined the importance of the principle of common but differentiated responsibilities. GEORGIA and BANGLADESH emphasized effectuating public sector reform and dealing with climate impacts, respectively. ZIMBABWE shared challenges faced by SIDS and landlocked developing countries. ESTONIA and LATVIA stressed the potential of digitalization to improve access to services, and to support a resilient economy, respectively. NORWAY urged countries to work towards multilateral instruments to seize the opportunities offered by the blue economy.

LATVIA identified the need to address the denial of climate science, and said the UN Security Council should address climate change.

ST. VINCENT AND THE GRENADINES noted the high costs that Caribbean SIDS endure from recovery from natural hazards and supported the Bridgetown Initiative.

ROMANIA said achieving the 2030 Agenda for Sustainable Development is more difficult in the context of conflicts in the Middle East and the Ukraine-Russia war.

INDIA pointed to regional initiatives, such as the Forum for India-Pacific Islands Cooperation. FRANCE highlighted the Paris Pact for People and the Planet, the Bridgetown Initiative and her country's efforts to connect debt relief to climate issues. UKRAINE underscored its contribution to global food security. CZECHIA emphasized attention to gender equality.

Mia Mottley, Prime Minister of Barbados, announced the launch of a UN Industrial Development Organization (UNIDO)-Barbados Global SIDS Hub for Sustainable Development.

PORTUGAL and ITALY reported on their countries' respective initiatives to train future SIDS leaders. The REPUBLIC OF KOREA and MALTA welcomed the establishment of the new SIDS Centre of Excellence in Antigua and Barbuda. The UNITED KINGDOM urged countries to contribute to the Green Climate Fund (GCF) and the Loss and Damage Fund. INDONESIA stressed the role of maritime and a blue economy as catalysts for SIDS development. DENMARK underscored efforts by the Beyond Oil and Gas Alliance to "set an end date for oil and gas extraction." CHINA urged accelerated implementation of the Kunming-Montreal Global Biodiversity Framework. The RUSSIAN FEDERATION proposed increased reliance on nuclear energy for sustainable development.

JAPAN pledged JPY 165 million for the second replenishment of the GCF and showcased its support to disaster preparedness and response in line with the Sendai Framework for Disaster Risk Reduction. MOROCCO underscored the role of South-South cooperation, while ARMENIA reported his country's recent experience in dealing with climate disaster. PAKISTAN denounced the unjust character of the international financial architecture, which exacerbates the vulnerabilities of SIDS and other developing states.

LUXEMBOURG mentioned partnerships and bilateral programs with Cabo Verde, Fiji, Palau and Vanuatu. MONACO stressed that the Ocean is a "public good and not a source or resources to be exploited." QATAR emphasized the importance of upholding the principle of common but differentiated responsibilities and respective capacities.

KIRIBATI described efforts to protect fisheries through fishing license revenue, and more vigorous marine protection, including addressing illegal, unreported, and unregulated fishing.

The FEDERATED STATES OF MICRONESIA appreciated the Antigua and Barbuda Action Strategy (ABAS) references to phasing out fossil fuel subsidies and methane emissions and said reducing methane emissions could result in avoidance of at least 0.5° C of global warming.

NEW ZEALAND highlighted a country-flexible finance program that allows support for non-economic damages, such as cultural conservation.

CANADA said ABAS provides a robust framework to guide investment and emphasized nature-based solutions and support for women entrepreneurs.

CYPRUS emphasized capacity building and knowledge sharing.

POLAND promoted the use of "smart" solutions, especially for sustainable tourism and protection of marine life.

SAUDI ARABIA highlighted its agreements with SIDS in the Caribbean and the work of the Saudi Development Fund in SIDS, as well as the meeting it hosted to promote cooperation between Arab countries and Pacific Islands.

BAHRAIN affirmed its commitment to sustainable development, achieving carbon neutrality, and supporting SIDS through capacity building.

The HOLY SEE said debt cancellation is a moral imperative rooted in principles of justice and solidarity.

IRELAND highlighted its second National Strategy for SIDS, which aligns with the priorities of ABAS. He expressed support for the SIDS Global Business Network.

TÜRKIYE said it is essential to expand investments in SIDS by unlocking private capital. He emphasized the help that the UN Technology Bank for LDCs can provide to SIDS.

BELGIUM emphasized its common interest with SIDS in ocean management, noted its offer to host the Secretariat for the Treaty on Biodiversity of Areas Beyond National Jurisdiction (BBNJ).

AUSTRALIA noted his country's AUD 100 million donation to the Pacific Resilience Facility and efforts to get SIDS to the front of the queue for funding at the GCF and Loss and Damage Fund.

MAURITANIA emphasized the importance of mobilizing support for both SIDS and countries with coastlines to adapt to sea level rise.

MALAYSIA pledged USD 2 million over the next 10 years to support capacity building and technical assistance in SIDS, especially in science, technology, innovation, and digitalization.

GREECE committed to increasing its cooperation with SIDS through both bilateral and multilateral means.

Noting it will host the Asia-Pacific Ministerial Conference on Disaster Risk Reduction (DRR), the PHILIPPINES emphasized the importance of locally-led action and accessible financing.

The INTERNATIONAL ORGANIZATION FOR MIGRATION, noting climate change is a driver of displacement, emphasized identifying vulnerable communities to build resilience and help enable people stay where they are, and community-based DRR planning.

The INTERNATIONAL DEVELOPMENT LAW ORGANIZATION emphasized: strengthening the rule of law to help build resilience to external shocks; empowerment of women; and progress on SDG16 (peace, justice, and strong institutions).

### ***Interactive Dialogue on Revitalizing SIDS Economies for Accelerated and Sustainable Growth***

Maldives President Mohamed Muizzu and Anders Adlercreutz, Minister for European Affairs and Ownership Steering, Finland, co-chaired the dialogue. Muizzu said financial products must be tailored to SIDS' needs and geared toward holistic development. Adlercreutz suggested SIDS need a new development and partnership model.

**Fireside Chat:** Achim Steiner, Administrator, UN Development Programme (UNDP), moderated a discussion with Gaston Browne, Prime Minister, Antigua and Barbuda, and Debra Anne Haaland, Secretary of the Interior, the US.

Browne said:

- SIDS should pursue carbon credits for their mangroves and seagrass;
- the world should consider a carbon tax on the profits of the fossil fuel industry;
- Antigua and Barbuda will seek a tourism model with more local ownership and participation;
- digitalization is vital for diversifying SIDS economies; and
- fossil fuel subsidies should be directed instead to the transition to renewable energy.

Haaland stressed the importance of listening to under-represented voices and people on the ground in SIDS to understand how the US might help with partnerships, especially regarding locally-led initiatives. She outlined ways the US is already helping SIDS, and said the US is looking forward to building further relationships.

**Panel:** Rebeca Grynspan, Secretary-General, UN Trade and Development, highlighted sectors that provide immense opportunities for SIDS: services and digitalization to overcome geographic remoteness; blue economy; sustainable tourism; and renewable energy.

Gerd Müller, Director General, UNIDO, pointed to a new UNIDO investment fund to attract private investments. He underscored the signal from SIDS4 must be clear: SIDS need debt relief and investments in economic progress, adaptation, and infrastructure.

**Statements:** Many floor statements emphasized:

- debt relief and reform of international financial institutions;
  - increased SIDS share of climate finance;
  - the need to diversify SIDS' economies to reduce dependency on a single sector such as tourism; and
  - the importance of investing in the blue economy.
- Mark Brown, Prime Minister, Cook Islands, for the Pacific Islands Forum, emphasized:
- strengthening macroeconomic stability;
  - improved access to essential services and enhanced supply chains; and
  - labor mobility and productivity.

Siaosi Sovaleni, Prime Minister, Tonga, shared his country's strategies, including investing in human capital; and promoting sustainable practices.

Noting SIDS face so many challenges they do not know where to start, Xanana Gusmão, Prime Minister, Timor-Leste, warned, "if everything is a priority, then nothing is a priority."

Gilmar Pisas, Prime Minister, Curaçao, for the Kingdom of the Netherlands, said creative industries, educational services, IT services, port and marine infrastructure, and the "blue bioeconomy" provide immense potential for new income sources and inclusive growth for SIDS.

GERMANY promised to work together with SIDS to create the fiscal space they need to develop.

The REPUBLIC OF KOREA emphasized the importance of SIDS modernizing their tax systems, integrating the informal sector into their economies, and investing in the blue economy and green infrastructure, with international help.

GREECE suggested that the Greek Eco-Islands Initiative could serve as a model for SIDS to emulate.

FIJI said the future of sustainable development in SIDS relies on adopting a holistic approach.

The WORLD TOURISM ORGANIZATION stressed the need to orient SIDS' tourism sectors to include more value-added industries, protect and restore natural ecosystems, and adopt circular models for waste and water management.

The WORLD INTELLECTUAL PROPERTY ORGANIZATION noted the help it provides to SIDS, such as working with local producers to use intellectual property to capture value and build brands.

The INTERNATIONAL MONETARY FUND (IMF) noted 19 SIDS are eligible for concessional IMF help.

The INTERNATIONAL LABOUR ORGANIZATION (ILO) suggested the Global Coalition for Social Justice coordinated by ILO could make a significant contribution to revitalizing SIDS' economies.

The GLOBAL PARTNERSHIP FOR THE PREVENTION OF ARMED CONFLICT said SIDS development cannot happen without changing the economic realities of women and girls in SIDS.

UNITED CITIES AND LOCAL GOVERNMENT emphasized the role that local governments play in SIDS, especially atolls and multi-island communities.

GREENING THE ISLANDS FOUNDATION underscored the importance to SIDS' economic revitalization of transitioning to 100% renewable energy.

### ***Interactive Dialogue on Enhancing Critical Forms of Financing and Aid Effectiveness Through Collaborative Partnerships: A Conversation***

Nuno Sampaio, Secretary of State for Foreign Affairs and Cooperation, Portugal, and Prime Minister Mark Brown, co-chaired the dialogue.

Sampaio said SIDS have been an important voice calling for change in development financing, from their decades-old push for Multidimensional Vulnerability Index (MVI) to the 2022 launch of the Bridgetown Initiative to reform the international financial architecture. Brown underscored that genuine, durable partnerships are needed to enhance financing and aid effectiveness.



**Fireside Chat:** Dima Al-Khatib, Director, UN Office for South-South Cooperation (UNOSSC) moderated the fireside chat with Orlando Habet, Minister of Sustainable Development, Climate Change & Disaster Risk Management, Belize, and Pilar Garrido, Director for Development Co-operation, Organisation for Economic Co-operation and Development (OECD).

On financing instruments best suited for SIDS, Habet said nature bonds and commercial debt swaps are key to not only protecting natural capital, but also leveraging non-traditional sources of capital and reducing sovereign debt, thereby improving countries' credit ratings. Garrido agreed, highlighting debt-for-nature and debt-for-climate swaps are crucial, alongside repurposed special drawing rights, sustainability-linked bonds, and green and blue bonds. She said SIDS can also leverage marine ecosystems to enable additional concessional finance.

On how the MVI can make the global financial architecture more responsive to SIDS' needs, Habet said the MVI's operationalization must consider latent and long-term impacts, not just those immediately visible. Garrido underscored the need to develop different toolkits tailored to different SIDS.

On capacity gaps, Habet said technology must be transferred early so SIDS can adapt them to their local contexts. Garrido said data and statistics are needed, and triangular cooperation can help provide these. Habet added South-South and SIDS-SIDS partnerships are crucial, since they face similar complexities and can share knowledge.

**Panel:** Jorge Moreira da Silva, Under-Secretary-General and Executive Director, UN Office for Project Services, remarked, "There is not only a financing gap, but also a capacity gap" and announced that his office would apply the MVI to infrastructure projects. He expressed hope that ABAS would enable ambitious climate commitments at UNFCCC COPs 29 and 30. Ambroise Fayolle, Vice-President, European Investment Bank (EIB), opined that "SIDS are obvious candidates to develop innovative financial solutions" and cited the example of Barbados' recent debt-for-climate swap.

**Statements:** SURINAME said the Caribbean resilience fund must finally be implemented; climate finance should not be spent on "studies and consultancies, but on actual problems"; and the role of regional development banks should be strengthened. SPAIN said multilateral development banks (MDBs) should be subject to the same transparency rules as public banks to increase financing efficacy. CANADA committed to including climate-resilient debt clauses in sovereign lending and encouraging MDBs to follow suit.

NEW ZEALAND mentioned increasingly using budget support as a key delivery modality for development assistance and climate finance. SAUDI ARABIA underscored the potential of co-financing, while FRANCE announced its intention to implement debt servicing suspension clauses in the event of natural disasters. LUXEMBOURG said partnerships are crucial to closing the USD 4 trillion financing gap for Agenda 2030 and gave examples of its collaborative partnerships with SIDS.

MALTA welcomed the progress on the MVI and called for it to be complemented by other tools, such as its vulnerability and resilience index. The BRITISH VIRGIN ISLANDS lamented being locked out of climate and development financing due to associated members' political status and per capita income and said the MVI should apply to them.

DENMARK underscored the need to finance the just transition away from fossil fuels and bring the financial architecture "to the 21st century." INTERNATIONAL RENEWABLE ENERGY AGENCY shared its SIDS Lighthouses Initiative, which supports SIDS in transitioning from fossil fuels to renewable energy, which reached 89 partners and 8.7 GW of installed capacity in 2023.

The WORLD HEALTH ORGANIZATION said SIDS need affordable concessional finance to make catalytic investments for health and urged considering health as an investment rather than an expenditure. The FOOD AND AGRICULTURE ORGANIZATION OF THE UN noted there are 2.2 million

chronically undernourished people in SIDS and emphasized the need for a portfolio of bankable projects that can crowd in finance.

The INTER-AMERICAN DEVELOPMENT BANK outlined its efforts to manage climate shocks through loans and debt restructuring.

### **High-level Meeting on Mobilization of Resources for SIDS**

This special event was convened by the UN Secretary-General António Guterres to address the persistent hurdles faced by SIDS in accessing finance. Opening statements were given by the Secretary-General, Conference President Gaston Browne, Samoa Prime Minister Fiamē Mata'afa, and EU Commissioner for International Partnerships Jutta Urpilainen. A fireside chat featured interventions by high-level government officials and representatives of international financial institutions. Discussions touched on: the need to eliminate fossil fuel subsidies and repurpose funds for climate action; disaster debt-suspension clauses to ease debt servicing obligations in times of hardship; reforming financial architecture to ensure that countries aren't forced to choose between "servicing debt or investing in education"; capitalizing on the GCF and the Loss and Damage Fund; and increasing debt transparency to develop effective financial policies and good lending practices.

### **Special Event on SIDS4 Private Sector Roundtable**

This special event gathered leaders from the private sector, island governments and development partners for a focused discussion on partnerships for resilient island economies. Following opening statements, Rabab Fatima, Under-Secretary General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, reported on the outcome of the SIDS Global Business Network Forum, which took place on 25 – 26 May 2024. In the ensuing panel discussion, participants discussed means to ensure an active private sector engagement in the implementation of the next programme of action for SIDS.

### **In the Corridors**

After hearing numerous statements from the first day's general debate, delegates showed clear appetite to engage on day two. Tuesday's high-level special events and interactive dialogues provided an opportunity to deepen conversations on topics at the very heart of the SIDS agenda. These formats sparked productive exchanges on how to implement the conference's outcome document—from operationalizing the MVI as soon as possible to piloting concrete and innovative measures that could help ease the debt burden that numerous SIDS face.

However, delegates eager to contribute to the discussions were frustrated with the dialogues' rule of silencing microphones after three minutes, leading one delegate to protest: "We have not traveled from the other side of the world to be heard for only three minutes."

In some ways, this disappointment on procedural matters reflected a larger sense that the voices of SIDS are still not being heard enough in the Conference and in the international diplomatic space at large. Though many delegates praised the crucial role of small island states as "the world's climate conscience," some observers said there was little engagement with civil society in developing the outcome document and many SIDS priorities were left out.

Even when they were heard, progress has been slow on SIDS' priority areas: ending their marginalization from and inability to access needed finance; boosting concessional finance, particularly for adaptation and loss and damage, and reducing dependencies on imports from the global north. Some of this inertia was openly acknowledged and discussed in the dialogues.

Many delegates placed significant hope in the MVI as a catalyst to overcome the structural exclusions experienced by many SIDS and to build a fairer system of concessional financing. This was tempered by one delegate, however, who remarked: the MVI is a toolkit; it's not a panacea.

