Opening Remarks

by

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High Representative
and
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Least Developed Countries, Landlocked Developing Countries
and Small Island Developing States

at
World Bank Group – United Nations Partnership
Furthering the agenda of Small Island Developing States to meet the SAMOA Pathway and the 2030 Agenda for Sustainable Development

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Excellencies,
Ladies and Gentlemen,

It is very encouraging for me to see how the World Bank and the United Nations have and do work hand-in-hand for jointly convening this meeting.

The continued partnership between the Bank and the United Nations is indeed very important.

The SIDS and their peoples need this kind of coordinated and coherent support! It is sorely needed that together we give our best support possible for the SIDS to achieve their sustainable development goals.

We certainly hope that today’s discussions will serve as an important contribution to the high-level meetings to be held at the UN in September.

These meetings include the Mid-Term Review of the SAMOA Pathway, and the SDG Summit, as well as the upcoming World Bank Group-led Small States Forum.

Today, our discussions will focus on issues ranging from vulnerability and resilience to the oceans and the blue economy and to financing for climate change mitigation.

These issues are linked. These issues are all of utmost importance to an inclusive and sustainable future of the SIDS.

They also are central issues for the SAMOA Pathway and our shared global commitment to leaving no one behind.

Ever since the Barbados Conference and way before the 2030 Agenda, the SIDS have called attention to the key issues of climate change and oceans.

The SDGs reaffirmed the SIDS as a “special case” for sustainable development.

But where do we stand? What has been achieved?

In September this year the mid-term review of the SAMOA pathway is our opportunity to notch up ambition and above all ACTION. The mid-term review is also the moment to renew our commitment to SIDS toward the implementation of the SAMOA Pathway and the SDGs.
The outcome of the inter-regional preparatory meeting for the Mid-Term Review, which took place in Samoa last year, identified key priority areas for action over the next five years.

These, and this does not come as a surprise pertain to:

climate change and resilience-building,

as well as the sustainable use of oceans.

Let me add - these are not separate but linked issues!

Yes, natural and climate related disasters have been a feature of life in SIDS for centuries.

What has changed is that climate change impact has exponentially grown in intensity and frequency.

It is an existential threat for some of the island nations and their peoples.

We all have seen the terrible images of devastation in recent years wiping out houses, transport infrastructure, communication networks, and so much more - in short, wiping out life!

And we talk a lot less about the medium- to long- range impact this all has on the natural environment and livelihoods. We talk a lot less about the psychological impact on population, especially youth and women!

Also, in many SIDS, marine and coastal ecosystems are increasingly under extreme pressure due inter alia to rapid coastal development, pollution increase and general climate change.

Investing in healthy oceans, investing in building resilience to increasingly devastating disasters and the adverse impacts of climate change, this will be critical in our support to the SIDS to achieve sustainable development.

There is a financing, an access to resources issue.

The preparatory process for the Mid-Term Review highlighted some of the key issues for SIDS around mobilizing the necessary resources for implementation of the SAMOA Pathway.
Some SIDS rely heavily on domestic and international capital markets to fund development and also meet already existing fiscal deficits. Some SIDS are heavily aid dependent. Some attract foreign direct investment while others do not.

It is a mixed picture.

High levels of public debt remain a key challenge for many SIDS especially from the Caribbean. Negotiations toward solutions with creditors on an ad-hoc basis, have not, in many cases, been enough to adequately address these challenges.

Additionally, SIDS’ ability to leverage appropriate levels of climate finance has been hindered by capacity constraints.

These capacity issues include effective access to and absorptive capacity of available resources. A major issue remains that financing resources are administered through increasingly complex global funding mechanisms.

Since I took office, I have advocated for a simplified access and project cycle approach without losing in transparency and accountability! This must be possible.

Many SIDS also continue to experience severe structural constraints in their efforts to mobilize more domestic resources for development.

Savings rates remain low when compared to other developing countries.

When combined with high climate adaptation costs and infrastructure investment needs, these factors mean domestic resources alone will not be enough.

Yes, international finance is indispensable to SIDS.

Yet, the eligibility criteria for SIDS to access concessional financing from bilateral and multilateral donors remain a perennial challenge.

It has been proposed to use a basket of indicators to determine the most appropriate financial instruments and levels of concessionality for different countries.
I believe time has come for us to consider structural vulnerability in the allocation criteria of concessional financing as was already requested in the Apia Outcome document.

SIDS need, SIDS expect from us a results-oriented dialogue on this issue, including in the context of the Small States Forum.

At present, most SIDS are classified middle-income and high income and therefore mostly ineligible for concessional finance.

The Apia Outcome also underscored the commitment of SIDS to exploring innovative sources of financing, including blue or green bonds, with a view to improving SIDS access to finance.

I hope our meeting today will allow for meaningful discussion on these issues, and in particular how the World Bank will support SIDS development efforts in these areas.

I very much look forward to our discussion.

I am committed to ensuring that we take forward recommendations and solutions to our Leaders in September and beyond.

The SIDS - their women, men, girls and boys hoping for a future deserve no less.

Thank you very much.