

## **Fourth International Conference on Small Island Developing States (SIDS4)**

**27 – 30 May 2024, St. John’s, Antigua and Barbuda**

### **Interactive Dialogue 3: Making Climate Finance Work for SIDS: Building on the Outcomes of UNFCCC COP28**

Interactive Dialogue 3 on “Making Climate Finance Work for SIDS: Building on the Outcomes of UNFCCC COP28’ was co-chaired by H. E. Mr. Surangel Whipps Jr. President of Republic of Palau and H.E Ms Jennifer Morgan, State Secretary and Special Envoy for International Climate Action at the Federal Foreign Office, Republic of Germany.

The Dialogue featured a fireside chat between H.E Mr Tomas Anker Christensen, State Secretary and Special Envoy for Climate, Denmark and H.E. Mr. Naadir Nigel Hamid Hassan, Minister for Finance, Economic Planning and Trade of Seychelles moderated by Dr. Simona Marinescu, Senior Advisor Small Island Developing States, UNOPS. The fireside chat was followed by interventions from Ms. Mafalda Duarte, Executive Director of the Green Climate Fund and Mr. Simon Stiell, Executive Secretary, United Nations Framework Convention on Climate Change (UNFCCC).

The fireside chat and subsequent discussions distilled a number of key messages.

Across the floor parties stressed the substantial levels of finance and assistance needed to accomplish a climate-resilient 1.5°C-aligned future for SIDS. Top on the agenda of many parties was the crucial importance of operationalizing, by COP29 in Baku, the Fund for responding to loss and damage in a way that is fit for purpose.

Parties were unanimous about the urgent need to improve access to finance for SIDS as being among the most vulnerable nations worldwide. In this context, the need to move faster on implementing the Multivulnerability Index (MVI) and more generally the challenges faced by middle income SIDS to access concessional finance were emphasized. Some speakers noted the similar needs of Overseas Territories. Responding to questions about access to the GCF, the Executive Director described how access for SIDS has improved already but acknowledged the need to go further and suggested the establishment of a task force on simplified procedures.

There was broad consensus about the importance to agree on an ambitious new collective quantified goal (NCQG) at COP29. Several speakers pointed out that scaling up climate finance from all sources including private, multilateral and bilateral is essential, as is further work to effectively mobilize resources across a broad range of contexts, including innovative sources and private sector mobilisation. Several speakers highlighted the recent report by OECD that developed countries surpassed, for the first time, their USD 100 billion climate finance commitment. The importance of also reaching the goal to at least double adaptation finance by 2025 was stressed, as well as the need to further improve transparency of climate finance.

Many speakers stressed the urgent need for further reforms to the international financial system and ensure that it is fit for purpose. The importance of linking this work to the climate finance

debate inside UNFCCC was highlighted to transform the billions into the trillions that will be needed for the implementation of the next round of NDCs that are in line with the 1.5 in a whole of economy approach.