



**Statement by the Republic of Maldives
on behalf of the Alliance of Small Island States
at the Informal Consultations on the
Council forum on financing for development follow-up**

21 April 2017

Distinguished Co-facilitators, Excellencies and Colleagues,

I have the honour to deliver this statement on behalf of the Alliance of Small Island States. We align ourselves with the statement delivered by the distinguished representative of Ecuador, on behalf of the Group of 77 and China.

At the outset, allow me to congratulate you on your appointment as co-facilitators of this very important process and assure you of our full support. We are confident that under your able leadership, we will secure a fruitful outcome. We would also like to express our appreciation for convening this meeting and seeking our views and expectations from the draft outcome document.

Let me also, through you, extend our appreciation to the IATF and their very detailed report. AOSIS is generally satisfied with the in depth research, data and analysis that we have been presented with, and appreciate their hard work.

Co-facilitators,

The report presents some stark realities of the state of the world economy, noting that it has grown at its slowest rate since the financial crisis of 2008. The worrying statistics on unemployment, sluggish private sector investment, slow-down of development aid and climate change and humanitarian crises is a cause for concern. The FFD Forum and the opportunities it presents by strengthening international cooperation on these issues is very timely.

AOSIS would like to draw your attention to a couple of issues from the IATF report that our important to the Group -

1. The Addis Agenda recognized the special circumstances and unique development challenges facing small island developing countries. Domestic resource mobilization remains a challenge due to our narrow economic base coupled with a limited tax base; making development aid a necessity. It is therefore worrisome to note that ODA to SIDS is projected to remain stagnant for the next few years. The report



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recommends special attention and monitoring of ODA to SIDS, given our structural vulnerabilities¹ - and the outcome document should reflect on this.

2. The report presents worrisome findings on public and private debt that reached a record high in 2015. SIDS as a group are the most heavily indebted class of countries in the world. However, middle-income SIDS, despite high public indebtedness and high exposure to external shocks, do not have access to debt relief and certain types of concessionary financing. The IATF report makes several recommendations including the ECOSOC FFD Forum as a possible forum to take up these discussions². This action area is a priority for SIDS, and the outcome document must reflect on it.

3. The Addis Agenda stresses the importance of international cooperation and capacity building to increase data capabilities of developing countries. The report notes that developing countries, especially many SIDS, need increased support to improve the availability of high quality and disaggregated data³. The outcome document should reflect on these data and statistical capacity gaps and call for enhanced international cooperation and capacity building.

4. As a general observation, we have found the report to be lacking in the area of climate finance. The effects of climate change on all aspects of sustainable development and the role of climate finance in long-term investments deserve more rigorous analysis. Having said that, the report notes that climate finance is largely centered on mitigation efforts⁴, and that more international cooperation is needed to finance the adaptation needs of vulnerable countries as well.

¹ Page 79, Chapter III.C. International development cooperation

² Page 101-102, Chapter III.E. Debt and debt sustainability

³ Page 134, Chapter IV. Data, monitoring and follow-up

⁴ Page 79, Chapter III.C. International development cooperation



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Co-facilitators,

In conclusion, AOSIS would like to request you to ensure that the zero draft is released as early as possible. Due to the complicated and often contentious nature of the issues at hand, ample time should be provided for gathering inputs from Capitals.

We wish you the best as you draft the outcome document and assure you of our full support in the upcoming consultations.

I thank you.