



SIDS Global Business Network (SIDS-GBN) Forum 2024

Session 4

Funding: Securing Financing and Investment

Antigua & Barbuda

Background

The SIDS Global Business Network (SIDS-GBN) convenes SIDS and international private sector actors to share best practices and lessons learned in forging private sector partnerships for SIDS. The network facilitates collaboration among SIDS regional private sector organizations and works towards strengthening inter-regional business alliances. Similarly, SIDS-GBN encourages international businesses to focus on SIDS as potential market opportunities and vice versa. Its core activity is the SIDS-GBN Forum held biennially to bring together SIDS, private sector actors and other stakeholders to share best practices, discuss ways forward, and form new collaborations.

Spearheaded by OHRLLS, the SIDS-GBN was established at a private sector forum held in 2014 on the sideline of the third UN Conference on SIDS in Samoa.

Since then, OHRLLS has successfully convened the second SIDS-GBN Forum in Aruba in 2016 focusing on public-private Partnerships, the third in Mauritius in 2018 focusing on sustainable tourism, and the fourth in Palau in 2022 focusing on ocean partnerships.

The fourth Forum will be convened on 25-26 May 2024 in Antigua & Barbuda, ahead of the fourth International Conference for Small Island Developing States.

As the last Forum under the SAMOA Pathway, the 2024 Forum will provide a unique opportunity to take stock of the Network's first decade and hear from the private sector on the new Programme of Action for SIDS. It also allows for the private sector to have a seat at the table in discussions on the new SIDS agenda and provide recommendations to governments on how to build an enabling business environment which allows for the private sector to contribute to the sustainable development of SIDS.

The Forum will have four thematic sessions with speakers sharing best practices and recommendations. The sessions aim to foster a collaborative dialogue between businesses, governments, and experts to craft concrete recommendations for the new SIDS agenda.

Session 4 - Funding: Securing Financing and Investment

Access to finance and investment is not just a necessity for SIDS to foster economic growth, but it also serves as a lifeline for their continued sustainable development. Despite being hit hard by climate change while only contributing to 1% of global carbon dioxide emissions, they only had access to \$1.5 billion out of \$100 billion in climate finance pledged to developing countries in 2019¹. From economic diversification to local empowerment and green transition, strategic investments are crucial for implementing the new SIDS agenda. The session will explore access to finance and investment with one panel for each theme. The session takes a practical approach with do's and don'ts on how to enhance access to finance and attract investment.

Panel Discussion 1: Finance

The panel is composed of business leaders working towards improving access to finance for individuals, communities, and enterprises. The panel will focus its discussions on three areas:

- The present: Identifying the microeconomic challenges and structural barriers faced by Micro Small and Medium Sized Enterprises (MSMEs) in building credit history and accessing finance as well as understanding how the private sector is leveraging technology – often “mobile first” - to develop innovative solutions that address these issues.
- The future: The panel will also discuss concrete ways in which public and private sector partners could join forces to develop bottom-up private-sector focused development mechanisms capable of channeling funds for productive, inclusive, and environmentally sustainable, projects by MSMEs.
- Finally, the panel will discuss the role of the international community, and specifically of international development agencies, in supporting access to finance for MSMEs, including through a “funds of funds” approach. This approach involves pooling capital from various investors and then investing that capital in multiple smaller MSME-focused funds.

Panel Discussion 2: Investment

This panel will be primarily comprised of key stakeholders in the investment space both in the areas of attracting foreign direct investments as well as angel and equity financing for MSMEs. The discussion will hear from speakers on:

- How to make MSMEs across the SIDS aware of the importance of equity financing as a viable option to their development.
- Strategies for attracting FDI into transformational sectors with SIDS to build their economic resilience.
- Barriers to attracting investments and how can these be overcome.
- How international development agencies, national governments and the private sector collaborate to ensure that investments in MSMEs and transformational sectors are realized.

¹ <https://unctad.org/news/blog-climate-finance-sids-shockingly-low-why-needs-change>

Format

The session will comprise a panel discussion in the form of a moderated conversation. This will be followed by an open discussion where all participants are invited to engage.

Expected Outcomes

- Recognition of the situation of financing and investment in SIDS including market opportunities and barriers.
- Understanding of investor and financier hesitations.
- Sharing of actionable strategies to overcome challenges and risks for financing and investment, including through partnerships.
- Insights into effective measures that SIDS governments and investment promotion agencies can take to pave the way for increased access to finance and investment.

Partners

Session 2 is co-created with the Caribbean Export Development Agency (CEDA), the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), and the International Trade Centre (ITC).