Alliance of Small Island States (AOSIS) Comments on the High Level Panel’s (HLP’s) Interim Report

AOSIS is happy to note that editorial suggestions and comments made regarding a previously shared zero draft version of the Interim Report were substantially taken into account by the HLP, in producing this version of the Interim Report that was shared for comments by Member States and Observer States on August 5th. AOSIS congratulates the HLP on achieving this important milestone and would like to acknowledge and state our appreciation for all the hard work that went into the construction of this report.

The Group wishes to submit the following additional comments, and in some cases reiterate previous comments, for the consideration of HLP, for both any final revisions of the Interim Report, as well as going forward in its work in producing the Final MVI Report:

Part 1: Introduction and Background
- The Data challenge identified by the HLP and lack of data availability for SIDS specifically remains a significant concern, and the resultant impact this may have on the indicators that are ultimately selected. Given that the governance structures required to implement the MVI may require additional time, AOSIS requests that the HLP do not prematurely disregard important indicators due to a lack of universal data coverage. Instead, as part of the HLP’s final recommendations, a strategy should be included that provides a way forward for data to be feasibly collected in the short to medium term for those critical indicators that currently have insufficient global coverage, inclusive of sources of funding identified to achieve this. To be clear, AOSIS is referring to indicators that are lacking sufficient data from SIDS. AOSIS could be amenable to the use of proxies in the meantime, as a stop-gap measure, until such indicators become universally available. However, the use of proxies and the methodology behind them should be appropriately ventilated with Member States before being considered.

Part 2: The MVI Framework
- “Net Vulnerability” and “Structural Resilience” are relatively new concepts, particularly within the UN lexicon, notwithstanding that the resilience definition is adopted from agreed UN language. For greater buy-in amongst Member States, greater linkages have to be made between resilience profiles and the Sustainable Development Goals (SDGs). The SDGs currently serve as the UN standard to measure Member States’ development progress. Additionally, it should be acknowledged more explicitly that there are limits to the extent building resilience can fully mitigate against structural vulnerabilities in SIDS, particularly our geographical size and remoteness. Our small size (and other geographical/geophysical factors) limits the options for mitigating and adapting against the impact of climate change. For instance, while larger countries have the option of shifting their capital to another city, SIDS do not have such an option available to them.
- Identifying shocks by origin and not impact could present certain challenges in practice. For e.g. the pandemic in this sense would be considered a social shock. As such the indicator most
likely to be used in this category would capture well the social/health impact of the pandemic, but not its economic impact, which arguably had far more wide reaching implications.

- We acknowledge the framers of the report **improved elaboration of debt treatment** as a viable possible use of the MVI in addition to concessional financing. However, more specificity is still required on how exactly the MVI could be deployed to achieve these aims, including how it is expected to complement not only GNI per capita, but also other competing indices. In doing so, it will force more substantive engagement with the IFIs/ MDBs and engender meaningful feedback on their positions regarding potential implementation and eventual use.

- The Interim Report not being able to accommodate a working MVI model, with proposed indicators across all the dimensions, signals that the HLP is running significantly behind schedule and must redouble its efforts to complete the work and ensure it can be robustly considered by all Member States. This is critical for its eventual adoption. Noting that the work of the HLP will not be completed in time for the MVI to be considered in the context of the Samoa Pathway resolution within the second committee, AOSIS requests the HLP to provide an updated timeline on delivery of the Final Report, that realistically takes into account the data challenges outlined in the Interim Report. It is important for the HLP to clearly state the challenges of timeline and indicate if additional time will be required to complete and produce the final MVI. We strongly recommend that the Secretary General notes this proposal officially in his report as a request from the HLP. The PGA should subsequently communicate this proposed updated timeline to all Member States during the earliest briefing by the HLP.

**Additional Comments**

- There are concepts and ideas introduced in the Interim Report that will no doubt be fleshed out more fully in the Final Report. However AOSIS strongly recommends that, perhaps as an addendum to the Interim Report, the HLP provides further clarity on these topics for the feedback of Member States and other critical stakeholders, before the release of the Final Report. We understand that the Panel may not have reached full consensus on some of these topics as yet, however we believe they will benefit from the insights of stakeholders before making final recommendations. Priority topics include:
  1. The Governance structure being contemplated.
  2. The structure of the Country profiles; how exactly they are to be formulated and updated, the role of Member States in that regard, and the availability of technical assistance.
  3. A summary listing of the potential indicators/proxies being considered by the Panel across both the vulnerability and resilience dimensions.

- **UNIVERSALITY VS A SIDS FOCUS: CLARIFICATION OF THE AOSIS POSITION**

AOSIS aligns with the position of the Secretary General that universality is a key principle that must underpin the development of any MVI. Universality ensures a global comparison among ALL countries, and as such justifies any potential assistance to be provided to the countries the Index adjudicates to be the most vulnerable across the dimensions measured.

AOSIS maintains however that once the indicators identified across the various vulnerability and resilience dimensions are selected in a fair manner, and appropriately captures ALL of the special circumstances that uniquely identify SIDS, the results will speak for themselves in identifying predominantly SIDS as the most vulnerable countries in the world today. We are confident that there is no inherent conflict between being universal and capturing the
vulnerabilities of SIDS (which are not currently captured by any other existing metrics). In fact by being inclusive of SIDS vulnerabilities, you ensure universality. Moreover, by complementing the use of the MVI alongside other existing metrics, we for the first time ever, can ensure that ALL the countries in the world most deserving of help, get the help they need.

In that regard it may be useful for the HLP to delineate in their Interim Report the various levels of financing each developing country grouping receives currently, to better highlight where gaps exist.