

Enhancing critical forms of financing and aid effectiveness
through collaborative partnerships

Excellencies, Distinguished Guests, Ladies and Gentlemen
As-Salam alaykum,

It is my pleasure to be here with you today, and an honour to represent the Saudi Fund for Development at this esteemed forum, to speak on a topic of immense importance and relevance in global development aid.

For 50 years, the Saudi Fund for Development has been a steadfast partner in global development, that financed over 1000 development projects and more than 40 billion dollars in aid to over 100 countries.

As climate action remains the most pressing need for SIDS.

Our support to SIDs has been multifaceted, with a multi-sectoral integrated intervention approach, focusing on areas with significant financing gaps, but critical to developing climate resilience.

Our support to SIDs is valued around \$1.7 billion, and spans over 63 projects, distributed over wide spectrum of infrastructure development sectors such as urban development, transport, Agriculture, water&sanitation, education, health, and Business & Industrial...etc.

However, as we work together, it is important to recognize that we live in a world where both the global challenges and the global aid landscape are constantly evolving,

The escalating economic challenges in developed economies are reducing their capacity to provide global development aid, resulting in a climate finance gap around \$2.6 bn per year for SIDs, which are increasingly affected by climate-related challenges.

Additionally, the global debt burden is expanding significantly, and SIDs have paid 18 times more in debt than they have received in climate finance, this highlighting an urgent need for developing alternative aid mechanisms and instruments, as emphasized by African leaders at the recent IDA Summit.

The challenges confronting Small Island Developing States highlight the urgency of collective action. Given the scale of climate impacts to our SIDS partners and the magnitude of the financing gap,

it is clear that aid agencies cannot tackle these challenges alone. Partnerships across governments, the private sector, and civil society are not just beneficial, but essential for generating the sustainable solutions we urgently need.

The Saudi Fund For Development has a long history of partnerships and collaborations. Over 60% of its loans are cofinanced, a testament to our belief in the power of collective impact. Last year, SFD pledged \$1 bn as part of \$24 bn collective pledge by the Arab Coordination group to financing climate projects.

Our partnerships with leading international institutions such as the UN, IsDB, ADB, and AFDB speak to the importance of pooling resources, sharing knowledge, and fostering innovations that are crucial for sustainable development.

As we work together across the globe, let us demonstrate together how partnerships can exceed borders and break barriers. Let us demonstrate that when we pool our resources, no challenge is too big or financing gap too large. By working together, we can multiply our impact and ensure a sustainable and prosperous future for Small Island Developing States.