

**Global Multi-Stakeholder Small Island Developing States (SIDS)
Partnership Dialogue**

Wednesday, July 10th, 2024

SUGGESTED REMARKS

- Good morning!
- As Manager of the Inter-American Development Bank's Office of Outreach and Partnerships, it is an honor to address you today and describe our efforts to scale up partnerships for Small Island Developing States (SIDS.)

IDB's Efforts

- At the IDB, we recognize the unique challenges of SIDS. Consequently, we have developed a wide range of instruments to tailor debt support and relief and increase financing.
- **For example, last year we launched ONE Caribbean, our regional strategy for Barbados, Belize, Guyana, Jamaica, Suriname, The Bahamas, and Trinidad and Tobago.**
- **Through an agreement with the Caribbean Development Bank, we also expect to engage with the independent nations of the Organization of Eastern Caribbean States (OECS).**
- ONE Caribbean aims to provide support in four strategic areas:
 1. Climate adaptation, disaster risk management, and resilience
 2. Citizen security
 3. Enhancing sustainable development through private sector engagement
 4. Food security
- Additionally, the IDB provides tailored support to help SIDS build resilience, considering their unique vulnerability to external shocks and stressors.

- **For example, we became the first MDB to offer Climate Resilient-Debt Clauses (CRDCs) or "catastrophe clauses" and currently have \$1.9 billion in loans protected by these loans, including in SIDS like Bahamas and Barbados.**
- We are now sharing our lessons with fellow MDBs to help them prepare similar clauses and developing CRDC 2.0 to increase this tool's scope.
- **Beyond CRDCs, in 2022, in partnership with The Nature Conservancy, we facilitated a debt-for-nature swap for Barbados, redirecting sovereign debt service towards marine conservation funding.**
- **Moreover, in September 2023, we launched our Biodiversity and Climate-Linked Mechanism for Ambition (IDB CLIMA), the first MDB financing tool offering loan discounts for achieving nature and climate objectives.**
- **Among the countries that have already shown interest in developing projects under IDB CLIMA are Barbados, Belize, the Dominican Republic, and Suriname.**

Collaboration with other MDBs

- **However, the challenges facing SIDS are so large that no single public entity can tackle them alone.**
- **In line with the Antigua and Barbuda Agenda for SIDS (ABAS Agenda), we are expanding and diversifying partnerships, supporting SIDS cooperation, and mobilizing resources.**
- **For example, with the World Bank Group, we aim to strengthen national disaster risk strategies and increase the adoption of disaster risk instruments in the Bahamas, Barbados, the Dominican Republic, Jamaica and Belize.**
- **With the IMF, we are collaborating in the context of Resiliency and Sustainability Facility (RSF) loans to support transformative policy**

reforms. Key initiatives are planned in the Dominican Republic, Jamaica, and Barbados.

- **With the Caribbean Development Bank**, we signed an addendum to our 2020 Mutual Cooperation Agreement to focus on climate change-resilient infrastructure, project preparation, private sector development, and financial products.
- **With the European Investment Bank**, we are co-guaranteeing a **\$300 million Debt-for-Climate swap in Barbados, with each bank contributing \$150 million**. This enables the country to invest in resilient infrastructure. The transaction also includes a \$40 million grant from the GCF to finance the monitoring, reporting, and verification system for the transaction's climate impact.

Working as a System

- **Finally, as Chair of the MDB Heads Group for 2024, the IDB supports the recent Call to Action on Mobilization of Resources for SIDS, which urges MDBs to work together to address multifaceted challenges and reform the international financial architecture.**
- At a recent Retreat of the Heads of MDBs hosted by the IDB, commitments for system-wide reform were discussed, aligned with the G20 agenda.
- **Working as a system, we agreed on concrete deliverables, including a common approach to measuring climate results, and we are evolving into better, bigger, and more effective MDBs, and have a plan to implement this vision.**
- In conclusion, the IDB is not only listening to the SIDS' calls for support but also taking proactive steps with multiple partners to help SIDS finance their sustainable development.
- Thank you!