16 November 2016

Remarks by H.E. Mr. Thoriq Ibrahim, Minister of Environment and Energy, Maldives

SECOND TRACK : Scaling up Climate Finance and widening the filed

Excellencies,

- The Paris Agreement and its decision instruct that financial resources should be scaled up and aim to achieve a balance between adaptation and mitigation.

- We appreciate that developed countries have produced a road map on how they will achieve the US$100 billion goal annually by 2020. We also appreciate their commitment to significantly increase finance for adaptation.

- However, the current projection is for a doubling from current levels that would only result in some **20 percent of financial resources** being directed to adaptation. This is indeed worrisome in light of the estimates that adaptation costs for developing countries will be within the range of **US$140 billion to US$300 billion** per annum by 2030.

- I cannot emphasize enough that adaptation is urgent for small island developing states. Adaptation finance therefore must be in line with our needs.
- Climate change threatens the development and sustainability of our countries on multiple fronts. For instance, shifting rain patterns in the Indian Ocean, have led to droughts in one corner of our archipelago, while also bringing in unprecedented rains to the other.

- The majority of islands in the Maldives now experience coastal erosion. The estimated cost to protect shorelines in only the inhabited islands of my country would exceed US$8.7 billion.

- This is more than twice our national GDP, which was just a little over US$3 billion last year.

- The price tag for adaptation in Maldives and other small island developing states is staggering, and way beyond what could realistically be mobilized from within our means.

- Still, we recognize that mobilizing private finance for adaptation has a role in closing the adaptation finance gap at the global scale. Even at the national level, in the

Maldives, we are taking measures to enhance our enabling environments to attract private climate finance. We are implementing a program with multilateral banks to enhance our policy environments to reduce risks for private sector to invest in clean energy. Our tourism industry invests heavily in actions to increase resilience of the sector.

- However, due to the small size of our economies and the nature of some of our adaptation needs, similar to many other SIDS, private finance will not be a suitable stopgap measure for public funds that we urgently need for our adaptation actions.

- Furthermore, mobilizing adaptation financing from private sector is very challenging for us. Our local private sector is resource constrained. As for the international private sector, we have little interaction as we are too small to be profitable.

- Small island states therefore need assurance that our financing needs for adaptation will be met and further that they will be met through prioritization of SIDS for access to public and grant based resources for adaptation.

- For this reason, we consider that in efforts to improve the roadmap and in the broader discussion on scaling up resources under the Paris Agreement, we must take a measured and targeted approach that can track progress towards the balancing of adaptation and mitigation finance and ensuring that the most vulnerable countries get the assistance they need.