

CHAIR'S STATEMENT

EU'S DIALOGUE ON CLIMATE FINANCE FOR SIDS AND LDCS

29th June 2025

Excellencies, colleagues,

1. I would first like to thank the European Union for their invitation to this dialogue on the crucial issue of climate finance for small island developing States (SIDS) and least developed countries (LDCs)
2. For SIDS, last year's decision on the new collective quantified goal on climate finance (NCQG) already outlines a roadmap for the provision of climate finance to our countries. Albeit a weak one, **we should be focused on implementation of the many promises.**
3. There were many calls made to climate finance providers to enhance such funding to developing countries, especially SIDS and LDCs.
4. So, the simple question is: **will these calls be urgently answered?**
5. We therefore ask the EU and its 27 Member States to commit to prioritize answering these specific calls made especially for the benefit of all SIDS and LDCs
6. Namely, we need the EU and its Member States to take the lead, and ensure:
 - a. the substantial provision of public, grant-based resources including highly concessional finance for our adaptation, and responses to loss and damage; and
 - b. the strengthening of efforts to enhance efficient and effective access to bilateral, regional and multilateral climate finance

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7. More detailed calls were also directly targeted to specific channels of climate finance. Some of these actions included the following:
 - a. **For bilateral providers:** an urging was made to them to institute measures for substantially increasing finance to all SIDS and LDCs.
 - i. In a time of shifting priorities for public international finance, AOSIS kindly request that EU members stay the course and enhance bilateral climate finance for SIDS and LDCs;
 - b. **For international financial institutions, including the multilateral development banks:** a call was given to these institutions to drastically scale up highly

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concessional finance, especially for all SIDS and LDCs, with a further urging to 'increase grant financing' to these countries:

- i. On this issue, the EU and its Member States, must use their role as major shareholders, and ensure the MDBs accept these invitations from the UNFCCC regime, as well as ensure that the European Investment Bank as the EU's international development bank, takes the lead in prioritising all SIDS and LDCs for such grant and highly concessional climate finance in line with the NCQG decision
- c. **For the multilateral climate funds:** a tripling of outflows commitment was made to significantly increase public resources going to towards these funds as a means of drastically scale-up their share of finance delivered towards achieving the NCQG.
 - i. AOSIS sees great importance in:
 1. substantially replenishing the GEF's Special Climate Change Fund and its window SCCF-A for SIDS adaptation needs in tangent with the GEF-9 replenishment discussion;
 2. urgently scaling up the capitalisation of the Fund for Responding to Loss and Damage, and adequately operationalising its minimum allocation floor for SIDS and LDCs of at least 50%; and
 3. Significantly contributing to the Adaptation Fund well beyond its current resource mobilisation target

8. SIDS cannot delay the enhancement of the provision of concessional climate finance for our countries for another second.

Excellencies, colleagues,

9. It would also be remiss of me not to highlight another matter for your urgent attention.
10. The EU must show enhanced leadership in their ratcheting up of ambition and implementation of decisive action on said ambition for mitigation in line with the 1.5°C limitation goal to combat climate change.
11. Additionally, the EU should also use its political standing in geopolitics to push the laggards to also increase the ambition and its implementation in line with this limitation goal.

Excellencies, colleagues,

12. In closing, while AOSIS reiterates its appreciation for the dialogue, **our membership needs to see action on these and other climate finance promises made for us.**
13. Our group therefore awaits urgent action on these promises and looks forward to realisation of fruitful partnerships with your countries. I thank you.