



**Kainaki II to COP 26 – Pacific Islands Forum High-Level Roundtable on Urgent Climate Change Action**

**PRIME MINISTER OF THE COOK ISLANDS – HON MARK BROWN'S ADDRESS**

**AGENDA ITEM 4: HIGH LEVEL DIALOGUE**

**THEME: CLIMATE CHANGE FINANCING**

Honourable Presidents, Prime Ministers, Ministers and distinguished representatives of Forum Dialogue Partners,

Kia orana and warm greetings to you all from the Cook Islands.

Tomorrow we acknowledge the 5<sup>th</sup> Anniversary of the historic Paris Agreement. We are reminded that in 2015 we came together as a global community and committed to reducing the impacts of climate change, holding global average temperatures to no more than 1.5 degrees Celsius. No country or economy, whether great or small, developing or developed, will escape the compounding impacts of climate change.

Indeed, the frequency and increasing intensity of tropical cyclones, intense periods of winds and floods, the increased occurrence of droughts and the rise in sea-levels are just a few of the immediate and longer-term impacts of climate change on our islands. Such impacts have demonstrated the great vulnerability of our Blue Pacific Continent and this is reflected in the 2018 Boe Declaration on Regional Security. In that Declaration, Forum Leaders recognised that climate change remains the single greatest threat to the livelihoods, security and wellbeing of the peoples of the Pacific. At the same time, to address climate change security threats, Leaders committed to progress implementation of the Paris Agreement.

I would like to spend my time speaking about one aspect of the Agreement and that is climate change financing. Pacific Island Countries have both individually and collectively embarked on ambitious mitigation and adaptation programmes to address the impacts of climate change, including at the regional level through green bonds and the Pacific Resilience Facility. However, the Paris Agreement recognises the special capacity challenges of small island developing States, SIDS, such as us in the Pacific in carrying out such programmes. Although we did not cause climate change, we did not put plastic in the sea, and we did not acidify our ocean, we are shouldered with the enormous burden of having to adjust and adapt and protect ourselves against the threats resulting from climate change. My Government's own national budget will spend 16% of our appropriation directly on mitigation and adaption measures.

The international community has pledged the mobilisation of US\$100 billion per year by 2020 under the Paris Agreement. Thus far, that pledge remains unfulfilled and we call on developed countries to meet their commitments in this regard.

Over the past decade, despite our critical needs, our own Pacific region has received a mere 2% (US\$2 billion) of the funds that have been mobilized towards that global climate finance target. That is insufficient to address the existential and other climate change challenges we face, both as individual SIDS and the region as a whole.

At the same time, the unprecedented and global magnitude of the pandemic has brought to the fore the serious inability of current international financial instruments to support meaningful access by SIDS to fiscal support to respond and recover from the impacts of climate change and the challenges arising from COVID-19. The longer it takes for Pacific Island Countries to develop proposals that satisfy the stringent, complex and unduly onerous criteria set by international financial institutions to access resources, the more severe the challenges we face. Also higher are the transaction costs for our countries to address the impacts of climate change and increase our resilience. We need a comprehensive review of the international financial instruments available to Pacific SIDS. It is needed urgently.

However, this is a broken record that I have been saying for more than eight years. The financial mechanism we have asked for includes zero percent interest rates for climate adaptation finance, amortized over 50 to 100 years – the timeframe that it took for climate threats to emerge.

It is time that the policies and procedures of those institutions evolve to meet the pressing adaptation needs of the Pacific SIDS. In that regard, Pacific Island Countries look to our Dialogue Partners for support in these institutions to bring about the urgently needed reforms. At the same time, we look to Dialogue Partners for bilateral and other innovative support, including grant-based financing, capacity building support, and technology transfer to enable Pacific innovation and home-grown solutions to adapt and build resilience to the challenges posed by climate change. Leaders have agreed that whatever modalities for assistance are devised, they should be available for all Forum Island Countries, regardless of their development status.

On that point, may I refer briefly to the situation of my own country, the Cook Islands, although our circumstances are not necessarily unique – even here in our own Pacific region. The Cook Islands with a population of about 17,000 people is a Forum Island Country with all the vulnerabilities and developmental challenges of other Pacific SIDS. In 2019, however, the OECD determined that because of our relatively high GDP the Cook Islands would no longer be eligible for Official Development Assistance from January 2020. And then came COVID-19 which decimated our leading economic sector, tourism. We expect a negative 20% GDP growth rate for this year as a result. This has had a crippling effect as we have striven to implement programmes to deal with not only the immediate consequences of COVID-19 but also to address the more pervasive and deeper challenges posed by climate change. As I said in my opening remarks, however, like other Pacific SIDS, we cannot successfully implement our programmes without external

assistance. Therefore, we call on our Dialogue Partners to work with us to devise mechanisms in international financial institutions and elsewhere so that we can access urgently needed assistance on the same basis as other SIDS.

In conclusion, Pacific Island Countries are grateful for the understanding and support of our Forum Dialogue Partners. As we go forward into the post-pandemic world and refocus our attention towards the ever-increasing threat of climate change, we look forward to working closely with you, our Dialogue Partners, in this vital area of climate change financing.

May I wish everyone a happy and safe holiday season ahead.

Kia orana and kia manuia.