



House of Commons
International Development
Committee

The UK Small Island Developing States Strategy

Fourth Report of Session 2023–24

*Report, together with formal minutes relating
to the report*

*Ordered by the House of Commons
to be printed 23 April 2024*

HC 476

Published on 1 May 2024
by authority of the House of Commons

The International Development Committee

The International Development Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for International Development and its associated public bodies.

On 1 September 2020, DFID and the Foreign and Commonwealth Office were merged to form the Foreign, Commonwealth and Development Office (FCDO). The Committee remains responsible for scrutiny of those parts of FCDO expenditure, administration and policy that were formerly the responsibility of DFID.

Current membership

[Sarah Champion MP](#) (*Labour, Rotherham*) (Chair)

[Dr Rosena Allin-Khan MP](#) (*Labour, Tooting*)

[Mr Richard Bacon MP](#) (*Conservative, South Norfolk*)

[Theo Clarke MP](#) (*Conservative, Stafford*)

[Mrs Pauline Latham OBE MP](#) (*Conservative, Mid Derbyshire*)

[Chris Law MP](#) (*Scottish National Party, Dundee West*)

[Mr Ian Liddell-Grainger MP](#) (*Conservative, Bridgwater and West Somerset*)

[Nigel Mills MP](#) (*Conservative, Amber Valley*)

[David Mundell MP](#) (*Conservative, Dumfriesshire, Clydesdale and Tweeddale*)

[Kate Osamor MP](#) (*Labour, Edmonton*)

[Mr Virendra Sharma MP](#) (*Labour, Ealing Southall*)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk.

Publications

© Parliamentary Copyright House of Commons 2024. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at www.parliament.uk/site-information/copyright-parliament/.

Committee reports are published on the [Committee's website](#) and in print by Order of the House.

Committee staff

The current staff of the Committee are: Jessica Bridges Palmer (Media and Communications Officer), Joe Briggs (Committee Specialist), Emma Elson (Committee Specialist) Philip Entwistle (Committee Specialist, International Affairs Unit), Gini Griffin (Second Clerk), Paul Hampson (Committee Operations Officer), Jonathan Hingston (Senior Committee Specialist), Rowena Macdonald (Committee Operations Officer), Seb Newman (Second Clerk) Leo Oliveira (Committee Operations Manager), Sarah Rees (Clerk) and Hannah Williams (Committee Specialist).

Contacts

All correspondence should be addressed to the Clerk of the International Development Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 1223; the Committee's email address is indcom@parliament.uk

You can follow the Committee on X (formerly Twitter) using [@CommonsIDC](#).

Contents

Summary	3
1 Introduction	5
Background to this inquiry	5
Defining Small Island Developing States	5
Table 1: List of Small Island Developing States	7
2 The UK SIDS Strategy	10
SIDS' vulnerabilities	10
SIDS need reliable partners	10
The UK's approach to SIDS	11
The UK Small Island Developing States Strategy 2022–2026	11
3 Finance and debt	14
A vicious cycle: disaster, external debt, and obstacles to climate finance	14
Challenges in accessing climate finance	15
4 Loss and damage	22
5 Legal implications of sea level rise	25
6 Capacity building	27
7 Gender	32
8 Oceans	35
9 Wider Climate Leadership	38
Annex 1: Request for a written update on the delivery of the SIDS Strategy	40
Conclusions and recommendations	41
Formal minutes	45
Witnesses	46
Published written evidence	47
List of Reports from the Committee during the current Parliament	48

Summary

Small Island Developing States are among the world's most vulnerable countries. They are particularly exposed to the impacts of climate change, including intensifying tropical cyclones, sea level rise, and coral reef destruction. In 2017, Hurricane Maria wiped out the equivalent of 226% of Dominica's GDP overnight. If global temperatures rise by 1.5 Celsius, the earth will lose 70% of coral reefs, on which SIDS' tourism and fishing industries depend. Rising sea levels destroy coastal settlements, cause the salination of agricultural land, and may lead to the disappearance of some SIDS by the end of this century. SIDS' economies are fragile, characterised by over-reliance on industries such as tourism and fishing, high levels of external debt, and difficulties in accessing international climate finance. For SIDS, the impact of external shocks—whether extreme weather events, pandemics, or global economic volatility—is larger, and the recovery process slower.

Small Island Developing States are taking ambitious steps to address these challenges, but they need committed international partners to support them. This requires much more than the provision of greater financial assistance. It requires partner states to use their power and influence to drive forward global action on issues affecting SIDS, to amplify SIDS' international voice, and to support SIDS' own forms of collective advocacy.

As a centre of financial and legal and expertise with historical links to many SIDS and an influential voice within international institutions, the UK is well-placed to demonstrate international leadership on the issues of most concern to SIDS. The UK's Small Island Developing States strategy 2022–2026 is a step in the right direction. The areas of focus identified in the strategy align well with the concerns outlined in evidence submitted to this inquiry by SIDS representatives.

However, the UK SIDS strategy lacks any concrete commitments or measurable objectives, running the risk that the UK's support for SIDS may slip down the Government's priority list over time. There is no discussion of the crucial issues of gender, loss and damage, or support for SIDS' collective advocacy. Neither does the strategy address the question of what would happen to SIDS' legal statehood and maritime zones should sea level rise cause their entire inhabitable land to disappear.

In addition, evidence to this inquiry highlighted ways in which the UK Government can improve its work in areas that are identified in the SIDS strategy. The UK has the opportunity to use its influence within bodies such as the OECD, the Green Climate Fund and the multilateral development banks (MDBs) to facilitate SIDS' access to climate finance by advocating for vulnerability-based ODA criteria, simplified funding application procedures, and better representation for SIDS within MDBs' governance structures. The UK Government has signed the crucial 2023 United Nations Global Ocean Treaty, but the Committee is disappointed that it has delayed the primary legislation required to ratify it until after the next election.

While the UK Government's SIDS strategy pledges to support SIDS' advocacy for more ambitious international action on climate change mitigation, its own domestic policies

on net zero are undermining the UK's claim to be a reliable international partner to SIDS—the countries likely to be hit hardest by a failure of the international community to meet the agreed target to limit global warming to 1.5 degrees Celsius above pre-industrial levels.

1 Introduction

Background to this inquiry

1. Small Island Developing States (SIDS) are among the world's most vulnerable countries. The International Development Committee launched this inquiry to scrutinise the UK Government's approach to SIDS, as articulated in its UK Small Island Developing States Strategy 2022–2026.¹ This inquiry explored the effectiveness of the UK's overall approach, and how it might be improved. Over the course of the inquiry, the Committee received 20 written evidence submissions and heard oral evidence from 11 witnesses. We also visited Barbados and Dominica and met with policymakers and grassroots groups there.

Defining Small Island Developing States

2. There is no fixed definition of a Small Island Developing State, nor a definitive list of SIDS. This inquiry will use the UN's list of 39 SIDS,² while recognising that this is a contestable list: not all UN-listed SIDS are small, or islands, or developing.³ SIDS are diverse in terms of income levels, cultures, political systems and geographical location, but they share features that have bequeathed them with a set of common vulnerabilities.⁴ These features include small economies, populations and land masses,⁵ combined with large ocean territories,⁶ proportionally long coastlines, and remoteness from other population centres.⁷ SIDS are typically located near to the equator in zones affected by tropical cyclones, and in areas with high levels of seismic activity.⁸

3. Small Island Developing States' shared features, and the vulnerabilities that result from them, make them worthy of a distinct focus within the UK's international development work. This report evaluates how effective that work is. The report begins by looking at the UK Small Island Developing States Strategy and identifying any gaps. It then examines issues of key importance to SIDS—areas identified and raised by witnesses to this inquiry—before analysing the effectiveness of the UK's approach.

1 Foreign, Commonwealth & Development Office, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

2 United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLS), [List of SIDS](#), accessed 11 April 2024

3 United Nations Conference on Trade and Development (UNCTAD), [Development and Globalization: Facts and Figures 2021](#), December 2021. A full list of the 39 SIDS under consideration for the purposes of this inquiry is given in Table 1. The Committee recognises that British Overseas Territories (OTs) that are small islands, such as Anguilla and Monserrat are sometimes considered Small Island Developing States. While many of the features and vulnerabilities outlined in this report also apply to these OTs, the complexities of their constitutional relationship with the UK means that they merit separate treatment. Some British Overseas Territories are included in the list of Associate Members of United Nations Regional Commissions alongside other non-sovereign small islands such as Puerto Rico, French Polynesia, and Guam. UN-OHRLS, [List of SIDS](#), accessed 11 April 2024

4 [Q35](#) (Jean-Paul Adam)

5 Significant proportions of which are low-lying. National Oceanography Centre ([SIDS0004](#))

6 Combined, SIDS' Exclusive Economic Zones covers around 30% of the world's oceans and seas. National Oceanography Centre ([SIDS0004](#)); UN-OHRLS, [SIDS GBN - Thematic Areas – Oceans](#), accessed 11 April 2024

7 Commonwealth small island states and climate change, Research Briefing [No 9339](#), House of Commons Library, 13 October 2021; [Q2](#) (Emily Wilkinson), [Q49](#) (Kristal Ambrose), [Q92](#) (UnaMay Gordon)

8 [Q2](#) (Emily Wilkinson)

Figure 1: Caribbean Small Island Developing States

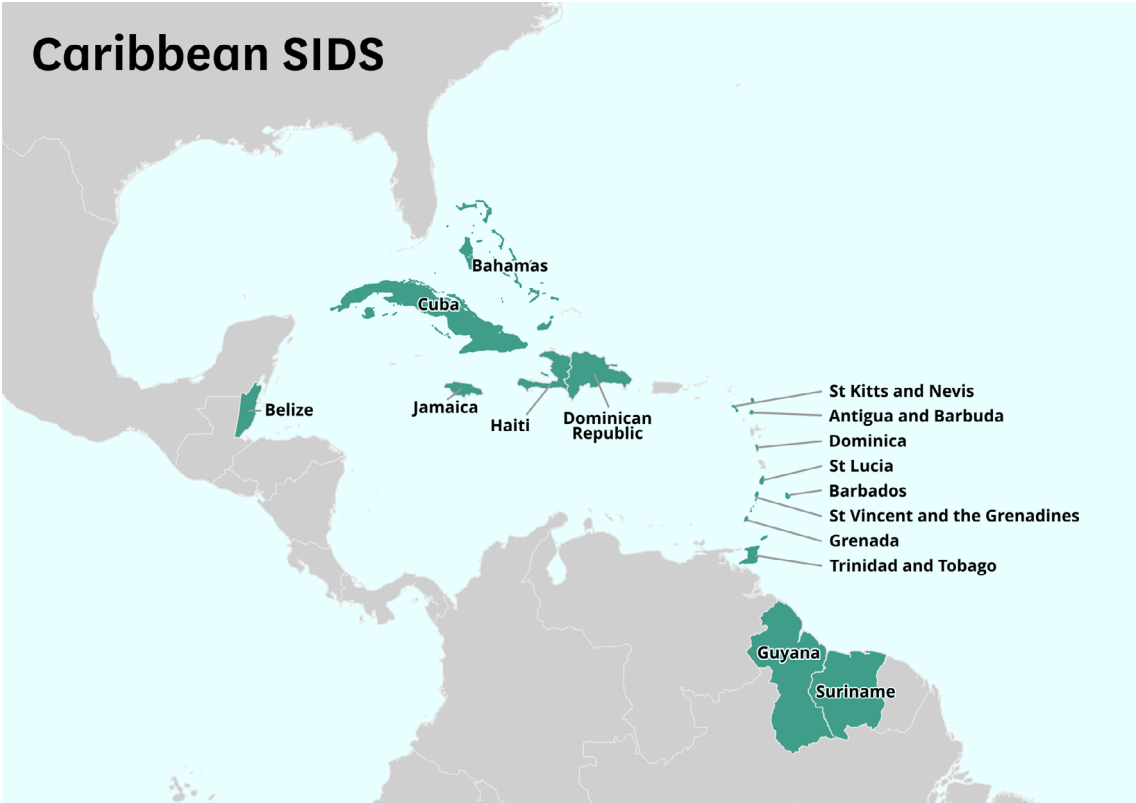


Figure 2: Atlantic, Indian Ocean and South China Sea Small Island Developing States



Figure 3: Pacific Small Island Developing States

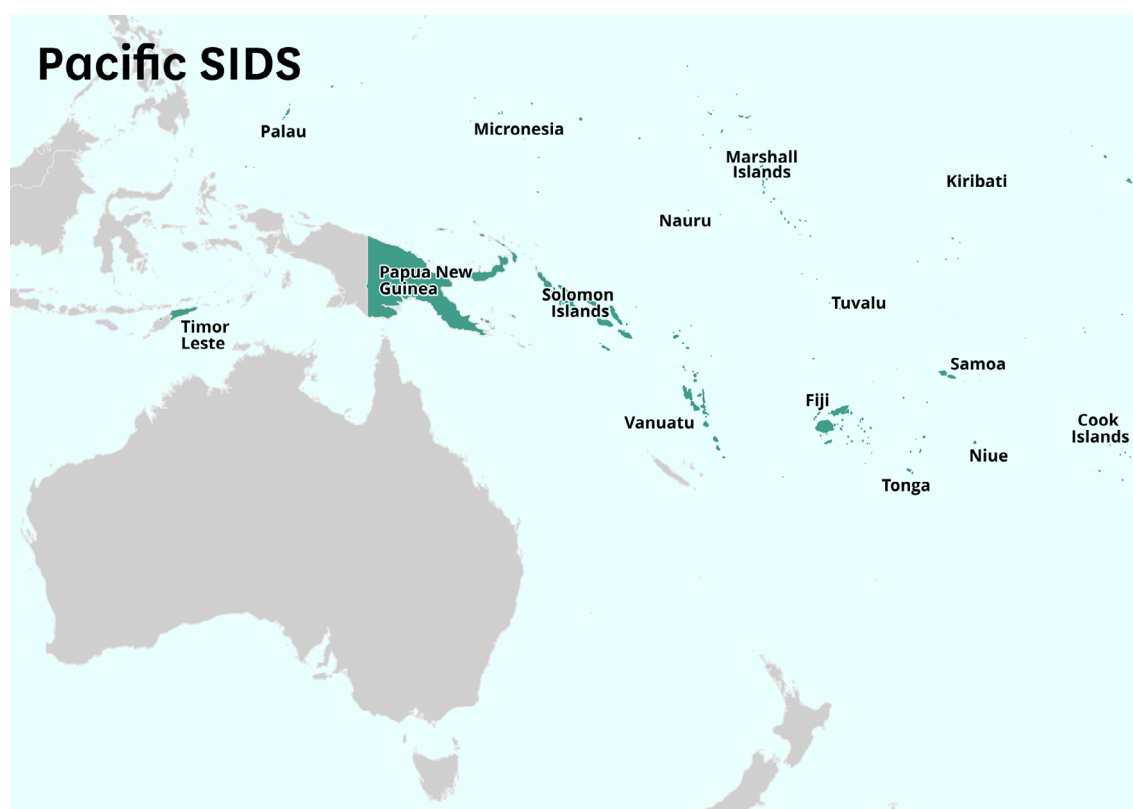


Table 1: List of Small Island Developing States

Country Name	Population (2022) ⁹	Gross national income per capita (current US\$, 2022) ¹⁰	Income classification (2024) ¹¹	ODA eligible? (2024/25) ¹²
Antigua and Barbuda	93,763	19,050	High	No
Bahamas	409,984	31,520	High	No
Barbados	281,635	19,490	High	No
Belize	405,272	6,630	Upper-middle	Yes
Cabo Verde	593,149	3,950	Lower-middle	Yes
Comoros	836,774	1,610	Lower-middle	Yes

9 Data source (unless otherwise indicated): World Bank, [Population, total](#), accessed 11 April 2024

10 Data source (unless otherwise indicated): World Bank, [GNI per capita, Atlas method \(current US\\$\)](#), accessed 11 April 2024

11 Data source (unless otherwise indicated): OECD, [DAC List of ODA Recipient for reporting on aid in 2024 and 2025](#), accessed 11 April 2024

12 Data source (unless otherwise indicated): OECD, [DAC List of ODA Recipients | Effective for reporting on 2024 and 2025 flows](#), 16 November 2023

Country Name	Population (2022) ⁹	Gross national income per capita (current US\$, 2022) ¹⁰	Income classification (2024) ¹¹	ODA eligible? (2024/25) ¹²
Cook Islands	20,200 ¹³	15,695 ¹⁴	High	No
Cuba	11,212,191	8,920 ¹⁵	Upper-middle	Yes
Dominica	72,737	8,430	Upper-middle	Yes
Dominican Republic	11,228,821	9,050	Upper-middle	Yes
Fiji	929,766	5,390	Upper-middle	Yes
Grenada	125,438	9,070	Upper-middle	Yes
Guinea-Bissau	2,105,566	820	Lower	Yes
Guyana	808,726	14,920	High	Yes ¹⁶
Haiti	11,584,996	1,610	Lower-middle	Yes
Jamaica	2,827,377	5,760	Upper-middle	Yes
Kiribati	131,232	2,810	Lower-middle	Yes
Maldives	523,787	10,880	Upper-middle	Yes
Marshall Islands	41,569	7,270	Upper-middle	Yes
Mauritius	1,262,523	10,360	Upper-middle	Yes
Micronesia, Federated States	114,164	4,140	Lower-middle	Yes
Nauru	12,668	17,800	High	Yes ¹⁷
Niue	1,681 ¹⁸	16,247 ¹⁹	Upper-middle	Yes
Palau	18,055	13,420 ²⁰	Upper-middle	Yes
Papua New Guinea	10,142,619	2,700	Lower-middle	Yes
Samoa	222,382	3,660	Lower-middle	Yes
São Tomé and Príncipe	227,380	2,400	Lower-middle	Yes
Seychelles	119,878	12,010	High	No
Singapore	5,637,022	67,200	High	No
Solomon Islands	724,273	2,210	Lower-middle	Yes

13 2023 figure. Cook Islands Statistics Office, [Vital Statistics and Population Estimates, June Quarter 2023](#), accessed 11 April 2024

14 2020, Gross National Income per Capita, Atlas Method (current US\$). Asian Development Bank, [Key Indicators Database](#), accessed 11 April 2024

15 2019 figure. World Bank, [GNI per capita, Atlas method \(current US\\$\)](#), accessed 11 April 2024

16 "Guyana and Panama exceeded the high-income threshold in 2022. In accordance with the DAC rules for revision of this List. If they remain a high-income country until 2025, they will be proposed for graduation from the List in the 2026 review."

OECD, [DAC List of ODA Recipients | Effective for reporting on 2024 and 2025 flows](#), 16 November 2023

17 "The DAC approved the graduation of Nauru from the DAC List of ODA Recipients but agreed to defer the date of effect of its graduation until 1 January 2026. In January 2026, the DAC will update the DAC List of ODA Recipients to reflect Nauru's graduation."

OECD, [DAC List of ODA Recipients | Effective for reporting on 2024 and 2025 flows](#), 16 November 2023

18 Statistics Niue, [Niue Census of Population and Housing, 2022](#), 30 August 2023

19 2019, Gross National Income per Capita, Atlas Method (current US\$). Asian Development Bank, [Key Indicators Database](#), accessed 11 April 2024

20 2021 figure. World Bank, [GNI per capita, Atlas method \(current US\\$\)](#), accessed 11 April 2024

Country Name	Population (2022) ⁹	Gross national income per capita (current US\$, 2022) ¹⁰	Income classification (2024) ¹¹	ODA eligible? (2024/25) ¹²
St Kitts and Nevis	47,657	20,020	High	No
St Lucia	179,857	12,400	Upper-middle	Yes
St Vincent and the Grenadines	103,948	9,110	Upper-middle	Yes
Suriname	618,040	4,970	Upper-middle	Yes
Timor-Leste	1,341,296	1,980	Lower-middle	Yes
Tonga	106,858	4,930 ²¹	Upper-middle	Yes
Trinidad and Tobago	1,531,044	16,190	High	No
Tuvalu	11,312	7,160	Upper-middle	Yes
Vanuatu	326,740	3,650	Lower-middle	Yes

21 2021 figure. World Bank, [GNI per capita, Atlas method \(current US\\$\)](#), accessed 11 April 2024

2 The UK SIDS Strategy

SIDS' vulnerabilities

4. As a result of their common features, SIDS also share a number of interlinked environmental and economic vulnerabilities. Chief among the environmental vulnerabilities facing SIDS are the impacts of climate change.²² These include more frequent, more intense tropical cyclones²³ and rising sea levels that destroy coastal settlements, cause the salination of agricultural land, and may lead to the disappearance of some islands.²⁴ SIDS' ecosystems and the biodiversity therein are threatened by ocean warming and acidification, as well as pollution and illegal, unreported and unregulated (IUU) fishing.²⁵ SIDS' economic vulnerabilities include the high logistical costs associated with island geography, as well as food insecurity, and a lack of economic diversification resulting in over-reliance on single export industries, such as tourism or seafood.²⁶ SIDS' economies suffer from high levels of external debt and difficulties in accessing international climate finance—topics that will be explored in greater detail below.

SIDS need reliable partners

5. The combined result of SIDS' environmental and economic vulnerabilities is that for SIDS, the impact of external shocks is larger, and the recovery process slower.²⁷ In recent years, such shocks have included climate-related hazards, natural disasters such as earthquakes and volcanoes, the Covid-19 pandemic, and the jump in commodity prices in the wake of Russia's invasion of Ukraine.²⁸

6. Vulnerability does not mean weakness.²⁹ This Committee has heard from witnesses to this inquiry, as well as through our visits to Dominica and Barbados, of how SIDS are working actively to address these impacts—whether through global advocacy,³⁰ regional

22 [Q90](#) (Cletus Springer)

23 Matthew Bishop, Cristina Argudin, Rachid Bouhia, George Carter, Jack Corbett, Courtney Lindsay, Michelle Scobie, and Emily Wilkinson, [Just Transitions in Small Island Developing States \(SIDS\)](#), British Academy, November 2021; [Q2](#) (Emily Wilkinson)

24 [Q5](#) (Emily Wilkinson), [Q66](#) (Alisi Rabukawaqa)

25 [Q9](#) (Jean-Paul Adam), [Q53](#) (Kristal Ambrose), [Q63](#) (Jeremy Raguain), [Q66](#) (Alisi Rabukawaqa); Dr Philippe Duneton, Executive Director, UNCTAD ([SIDS0019](#)); Environmental Justice Foundation, [The Ever-Widening Net: Mapping the Scale, Nature and Corporate Structures of Illegal, Unreported and Unregulated Fishing by the Chinese Distant-Water Fleet](#), 30 March 2022

26 [Q2](#) (Emily Wilkinson), [Q8](#) (Jean-Paul Adam), FCDO ([SIDS0003](#)), World Food Programme ([SIDS0005](#))

27 An analysis published in 2021 argued that, "In 2020, the average GDP of SIDS is estimated to have dropped by 8.6% compared to drops of 1.9% in fragile contexts, 1.7% in landlocked developing countries, and just 0.5% in LDCs. While GDP levels in least developed countries (LDCs), land-locked developing countries (LLDCs) and countries in fragile contexts have recovered, GDP in SIDS is not estimated to return to 2019 levels until 2023." Alliance of Small Island States (AOSIS), UK Aid, Global Affairs Canada, OECD, UNDESA, UNDP and UN-OHRLS, [Improving Development Impact in Small Island Developing States: Implementing Effectiveness Principles](#), December 2022

28 FCDO ([SIDS0003](#)), Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#)); John Baffes and Peter Nagle, [Commodity prices surge due to the war in Ukraine](#) World Bank Blogs, 5 May 2022; AOSIS et al., [Improving Development Impact in Small Island Developing States: Implementing Effectiveness Principles](#), December 2022

29 [Q2](#) (Emily Wilkinson)

30 [Q15](#) (Jean-Paul Adam), [Q15](#) (Emily Wilkinson)

collective action,³¹ national government policy,³² or grassroots activism.³³ However, they have argued that in the light of the long-term challenges SIDS are facing, SIDS also require committed international partnerships and support.³⁴

The UK's approach to SIDS

7. The UK Government's approach to SIDS can be seen as part of wider efforts—articulated in the White Paper on International Development (November 2023)—to “end extreme poverty and tackle climate change and biodiversity loss”³⁵ and to build support for an “open and stable international order”³⁶ by strengthening the UK's partnerships with other countries through “patient diplomacy.”³⁷ From 2018 onwards, the Government began to re-engage with SIDS, following a period of relative disengagement.³⁸ In this year, the UK announced the reopening of UK diplomatic posts in the Bahamas, Antigua and Barbuda, Grenada, St Vincent and the Grenadines, Samoa, Tonga, and Vanuatu.³⁹ In 2023, then Foreign Secretary James Cleverly visited the Pacific and Caribbean, which included visits to Papua New Guinea, the Solomon Islands,⁴⁰ and Jamaica.⁴¹ He also gave a reception to SIDS leaders on the eve of King Charles III's coronation, during which he re-emphasised the need to reform international finance.⁴² In 2024, the UK announced the reopening of its embassy in Timor Leste.⁴³

The UK Small Island Developing States Strategy 2022–2026

8. The most comprehensive statement of the Government's approach to SIDS is the UK Small Island Developing States Strategy 2022–2026, published in January 2023.⁴⁴ It identified six areas of focus:

- (1) Climate change and natural disasters⁴⁵

31 [Q10](#) (Jean-Paul Adam), [Q73](#) (Martin Chong), [Q95](#) (Cletus Springer)

32 [Q11](#) (Jean-Paul Adam), [Q87](#) (UnaMay Gordon)

33 [Q46](#) (Alisi Rabukawaqa), [Q62](#) (Kristal Ambrose), [Q63](#) (Jeremy Raguain), [Q64](#) (Vinzealhar Nen)

34 Dr Juan Casado-Asensio (Policy Analyst at OECD) ([SIDS0001](#)); National Oceanography Centre ([SIDS0004](#)), Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#)), [Q65](#) (Jeremy Raguain) [Q106](#) (UnaMay Gordon)

35 FCDO, International development in a contested world, [CP 975](#), November 2023, p.13

36 FCDO, International development in a contested world, [CP 975](#), November 2023, p.13. Under Pillar 1 of the 2023 Integrated Review Refresh's Strategic Framework (“Shape the international Environment”), the Government states that,
“The UK will work to shape an open and stable international order of well-managed cooperation and competition between sovereign states on the basis of reciprocity, norms of responsible behaviour and respect for the fundamental principles of the UN Charter and international law. We will act with consistency and predictability in line with these principles, while actively balancing against and contesting efforts to undermine them through force or other coercive means.”

See Cabinet Office, Integrated Review Refresh 2023: Responding to a more contested and volatile world, [CP 811](#), March 2023, p.19

37 FCDO, International development in a contested world, [CP 975](#), November 2023, p.29

38 FCDO, [UK-Pacific partnerships and shared values: address by Laura Clarke](#), 3 July 2019

39 FCDO, [Foreign Secretary expands UK Commonwealth diplomatic network](#), 19 April 2018

40 FCDO, [Foreign Secretary visits G7 Japan and Pacific Islands](#), 16 April 2023

41 FCDO, [Foreign Secretary in 4-country tour of Latin America and Caribbean to cement partnerships on climate, people and peace](#), 17 May 2023

42 FCDO, [Coronation Small Island Developing States reception: Foreign Secretary's remarks](#), 5 May 2023

43 HC Deb, 11 March 2024, [WS327](#) [Commons written ministerial statement]

44 FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

45 “advocating for greater ambition and global action on mitigation against and adaptation to climate change and natural disasters”. FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

- (2) Ocean and biodiversity⁴⁶
- (3) Economic diversification and prosperity⁴⁷
- (4) Debt⁴⁸
- (5) Inclusive governance and shared values⁴⁹
- (6) Multilateral modernisation⁵⁰

The strategy also outlines the creation of a new SIDS Envoy, based in the Foreign, Commonwealth & Development Office's SIDS Hub who will lead on its implementation.⁵¹

9. The Government's launch of its Small Island Developing States Strategy has been welcomed as an important step in the UK's renewed engagement with this group of highly vulnerable countries, and with the Global South more generally.⁵² As outlined above, Small Island Developing States face a shared set of interlinked challenges that make their economies, societies, and natural ecosystems uniquely vulnerable to external shocks—particularly the impacts of climate change. Witnesses argued that it therefore makes sense for the UK to treat the SIDS as a discrete group, meriting a distinct strategic focus, rather than subsuming these states entirely within existing regional and thematic approaches.⁵³

10. 2024 is a crucial year for SIDS: in May, the 4th International Conference on Small Island Developing States will be held in Antigua and Barbuda;⁵⁴ in September, the United Nations Summit for the Future aims to revive multilateral co-operation around shared global challenges;⁵⁵ and in October, the Commonwealth Heads of Government Meeting will take place in Samoa.⁵⁶ The outcomes of these meetings will shape SIDS' development for the ensuing decade.

11. As an international centre of financial and legal expertise, a key shareholder in international financial institutions, and a country with historical, cultural and diaspora ties to many SIDS, the UK is potentially well-placed to be a firm advocate for SIDS within the international conferences of 2024 and on the wider global stage. However,

46 "support SIDS to develop the capacity they need to protect their ocean biodiversity and resources, and reduce poverty through developing sustainable blue economies including through the Blue Planet Fund". FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

47 "recognising the trade dependency of SIDS in sectors vulnerable to the impacts of climate change, we will encourage all providers of finance to prioritise climate and economic resilience in their investments". FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

48 "commitment to engage on debt issues: addressing debt vulnerabilities and increasing fiscal space will be important as SIDS recover from the COVID-19 crisis and as they invest in their own resilience". FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

49 "putting inclusive governance and shared values at the centre of our efforts, including developing better guidelines to improve aid impact in SIDS". FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

50 "advocating for an international system that meets the needs of small states with low capacity in a modern world". FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

51 FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

52 National Oceanography Centre ([SIDS0004](#)), World Food Programme ([SIDS0005](#)), APPG for the Ocean ([SIDS0007](#)), Oxfam GB ([SIDS0010](#)), Pacific Islands Forum Secretariat ([SIDS0011](#)), OECD ([SIDS0012](#))

53 [Q35](#) (Jean-Paul Adam), Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#)), OECD ([SIDS0012](#))

54 United Nations Department of Economic and Social Affairs (UNDESA), [4th International Conference on Small Island Developing States: Charting the Course Toward Resilient Prosperity](#), accessed 12 April 2024

55 United Nations, [The Summit of the Future in 2024](#), accessed 12 April 2024

56 The Commonwealth, [Samoa announces theme for the 2024 Commonwealth Heads of Government Meeting](#), 21 September 2023

SIDS stakeholders have expressed concerns to this Committee about the consistency of the UK's commitment to SIDS over time, arguing that competing international priorities have caused this to waver since the 2021 United Nations Climate Change Conference (COP26), which the UK hosted, and which was viewed as a high point in the UK's support for SIDS.⁵⁷ Seychelles activist Jeremy Raguain told the Committee that SIDS struggle to find “consistent and reliable partners”. While he believed that “the UK is more in that category” [that is, a reliable partner], he also stated that there sometimes seem to be “greater priorities”.

Maybe that is because there is a war in Europe, maybe because there are other domestic things going on, and in that moment we seem to fall off the radar [...] When we think about four years, 10 years in the future, there are promises that the UK has made that, if the UK does not fulfil them, countries like Seychelles suffer.⁵⁸

12. While the SIDS Strategy details a number of broad priority areas, it contains no concrete commitments.⁵⁹ There are few details of how it will be implemented and no key performance indicators by which to hold the Government to account for its delivery on the aspirations articulated in the strategy.⁶⁰ The Committee has therefore asked the Minister of State for Development and Africa, Rt Hon Andrew Mitchell MP (“the Minister”) to provide a progress report on the Government's implementation of the strategy by 30 September 2024, something he has committed to doing.⁶¹

13. Although the areas of focus in the strategy generally align with the concerns that SIDS representatives have raised in the evidence we have received,⁶² there are key omissions. These include a discussion of (i) loss and damage funding,⁶³ (ii) the legal implications of sea level rise,⁶⁴ (iii) how the UK might better support SIDS' international collective advocacy,⁶⁵ and (iv) gender.⁶⁶ These areas are treated in greater depth below.

14. We welcome the Government's publication of the Small Island Developing States Strategy 2022–2026. Being a firm, committed supporter of SIDS in addressing their developmental and environmental challenges is not only morally right; it is also in the UK's geopolitical interest. However, we are concerned that, given the absence of measurable objectives in the strategy, the UK's commitment to SIDS may slip down the Government's priority list over time. *The Government must honour the commitment it made to provide the Committee with a written update on progress in delivering the SIDS Strategy across the six areas of focus by 30 September 2024. Points that the report should cover are listed in Annex 1.*

57 [Q115](#) (Cletus Springer and UnaMay Gordon)

58 [Q65](#) (Jeremy Raguain)

59 Contrast this with, for example, the detailed commitments listed in Government of Ireland, [Ireland's Second Strategy for Partnership with Small Island Developing States](#), 8 December 2023

60 OECD ([SIDS0012](#)), International Institute for Environment and Development ([SIDS0014](#))

61 [Q127](#) (Andrew Mitchell)

62 [Q23](#) (Jean-Paul Adam); National Oceanography Centre ([SIDS0004](#)), APPG for the Ocean ([SIDS0007](#)); Pacific Islands Forum Secretariat ([SIDS0011](#)), OECD ([SIDS0012](#))

63 International Institute for Environment and Development ([SIDS0014](#))

64 Dr Alex Green (Lecturer in Law at York Law School, University of York (UK)) ([SIDS0002](#)), Frances Anggadi (Senior Lecturer at Australian National Centre for Ocean Resources and Security, University of Wollongong) ([SIDS0016](#))

65 Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#))

66 World Food Programme ([SIDS0005](#)), Oxfam GB ([SIDS0010](#))

3 Finance and debt

A vicious cycle: disaster, external debt, and obstacles to climate finance

15. A key obstacle to SIDS' development is their high levels of external debt. This stems from the economic impact of repeated shocks, which, as mentioned above, have recently included climate change-related disasters, the Covid pandemic, and the increase in commodity prices and interest rates following Russia's invasion of Ukraine.⁶⁷ In 2022, Mauritius, Jamaica, and Cabo Verde held external debt stocks totalling 132%, 106%, and 88% of GNI respectively.⁶⁸ Between 2016 and 2020, SIDS are estimated to "have spent at least 18 times more in debt repayments than they have received in climate finance."⁶⁹ The World Food Programme has argued that, "debt servicing has diverted resources from social development which has translated into stagnant or declining human development."⁷⁰

16. According to UnaMay Gordon, Former Principal Director, Climate Change, for the Government of Jamaica, SIDS are locked in a vicious cycle: climate change causes economic damage, SIDS need to borrow money to recover, which increases their debt burden. This, in turn, reduces the fiscal resources available for SIDS' governments to invest in building resilience to future impacts.⁷¹ The result is that "people's lives are continuously at risk."⁷²

17. The UK Government lists debt as an area of focus in its SIDS Strategy, and has emphasised its commitment to the resolution of SIDS' debt crises.⁷³ It has participated in the Debt Service Suspension Initiative, which resulted in US \$10 billion (c.£7.9 billion) worth of debt repayments being suspended during the pandemic.⁷⁴ The Government has also introduced innovative Climate Resilient Debt Clauses (CRDCs) in UK Export Finance's loans to SIDS.⁷⁵ These clauses enable the borrowing country to suspend its debt repayment should the borrowing country be hit by a natural disaster.⁷⁶ Witnesses have argued that these measures provide welcome short-term relief to debtor countries, but that

67 United Nations Office of the High Representative for LDCs, LLDCs and SIDS (UNOHRLLS) (SIDS0013); AOSIS et al., [Improving Development Impact in Small Island Developing States: Implementing Effectiveness Principles](#), December 2022

68 World Bank, [Total external debt stocks to gross national income](#), 28 March 2024

69 International Institute for Environment and Development (SIDS0014)

70 World Food Programme (SIDS0005), para 10

71 Q89 (UnaMay Gordon)

72 Q89 (UnaMay Gordon)

73 FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

74 FCDO (SIDS0003), UN-OHRLS (SIDS0013), FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

75 FCDO (SIDS0003)

76 UK Export Finance, [Climate Resilient Debt Clauses](#), 22 June 2023

reforms to address the issue in the long term are needed.⁷⁷ This Committee has previously called for wider reform of debt relief and we note that several of our recommendations to Government remain unaddressed.⁷⁸

Challenges in accessing climate finance

18. Relatedly, SIDS often struggle to obtain climate finance.⁷⁹ Given the enormity of the challenges of adaptation, mitigation and resilience, witnesses to this inquiry have argued that the overall amount of climate finance pledged by donor countries is insufficient.⁸⁰

19. Even where funds do exist, they can be difficult for SIDS to access. This is because the OECD Development Assistance Committee continues to use per capita Gross National Income as its criterion for determining eligibility—a metric that arguably fails to capture the multiple vulnerabilities that can be faced by higher-income SIDS.⁸¹ Under these

77 [Q18](#) (Emily Wilkinson) [Q22](#) (Jean-Paul Adam)

78 One key recommendation was:

“The UK Government should consult on the introduction of legislation to compel or incentivise participation of private creditors in the Common Framework.”

International Development Committee, Seventh Report of Session 2022–23, [Debt relief in low-income countries](#), HC 146, para 62

This was reiterated by evidence the Committee received for this inquiry from Oxfam GB ([SIDS0010](#)). The Government rejected this recommendation, arguing that a legislative approach “would be complex and could have unintended consequences in terms of access to finance for developing countries.” International Development Committee, [Government response to the Committee’s Seventh Report of Session 2022–23](#), Eighth Special Report of Session, HC 1393

79 That is, funding provided to SIDS by donor states and international financial institutions as grants and/or loans for the purpose of supporting action on climate change. United Nations Development Programme (UNDP), [What is climate finance and why do we need more of it?](#), 2 October 2023

80 [Q22](#) (Jean-Paul Adam). In 2009, OECD countries pledged to ramp up climate finance funding to US \$100 billion per year by 2020. This figure was achieved in 2022, two years behind schedule. The Guardian, [Rich countries hit \\$100bn climate finance goal two years late, data shows](#), 16 November 2023. Oxfam has claimed that the true annual amount delivered is much lower “due to insufficient grant-based finance as well as misleading accounting practices which often overestimate the climate relevance of funds when mitigation or adaptation are not the main objective of a reported project.” Oxfam GB ([SIDS0010](#)). Similarly, ICAI note that in order to meet its pledge to provide £11.6 billion in climate finance, the UK Government made various methodological changes to the way in which climate finance is accounted. They argue that these changes, “essentially just ‘moved the goalposts’ for measuring additional climate finance to developing countries. [...] Crucially, they did not entail allocating additional financing to developing countries.” Independent Commission for Aid Impact (ICAI), [UK aid’s international climate finance commitments: A rapid review](#), February 2024, para 5.1

81 Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#)), Dr Aideen Foley (Senior Lecturer in Environmental Geography at Birkbeck, University of London, Senior Lecturer in Environmental Geography at Birkbeck, University of London); Dr Stefano Moncada (Senior Lecturer and Director of the Islands and Small States Institute at University of Malta, Senior Lecturer and Director of Islands and Small States Institute at University of Malta); Prof. Michelle Mycoo (Professor of Urban and Regional Planning at University of the West Indies, St. Augustine, Professor of Urban and Regional Planning at The University of the West Indies, St. Augustine); Prof. Patrick Nunn (Professor of Geography and Director of the Sustainability Research Centre at University of the Sunshine Coast, Professor of Geography and Director of the Sustainability Research Centre at University of the Sunshine Coast); Dr Verena Tandrayen-Ragoobur (Associate Professor in Economics at University of Mauritius, Associate Professor in Economics at University of Mauritius); Roselyn Kumar (Adjunct Research Fellow at University of the Sunshine Coast, Adjunct Research Fellow at University of the Sunshine Coast) ([SIDS0009](#)), Pacific Islands Forum Secretariat ([SIDS0011](#))

criteria, higher-income SIDS are ineligible to receive Official Development Assistance (ODA), which includes all international climate finance from the UK Government.⁸² It can result in “SIDS falling off a cliff edge when their income rises out of ODA.”⁸³

20. The UK appears open to re-considering its position on which countries should be eligible for ODA. The Government states in the SIDS Strategy that:

We affirm the position set out in the Glasgow Climate Pact that vulnerability should guide decisions on the allocation of finance.⁸⁴

In October 2021, the UK, Fiji and Belize released a joint statement calling on international bodies to “review and report on the potential for an MVI [multidimensional vulnerability index⁸⁵] to inform their graduation and transition processes from ODA.”⁸⁶ The UN has commissioned a high-level panel to develop such a multidimensional vulnerability index (MVI) to provide more holistic criteria for ODA eligibility. The panel released its final report in September 2023.⁸⁷ As an alternative to an MVI, the World Bank uses a “Small Island Economies Exception” that extends concessional rates to 14 SIDS who would not be eligible on the grounds of GNI per capita alone.⁸⁸ The IMF employs a similar “small country exception.”⁸⁹ In its Evolution Roadmap, the World Bank has expressed that it is open to exploring how to further incorporate considerations of vulnerability into its eligibility criteria.⁹⁰

21. There are risks in adjusting the definition for determining which countries are eligible to receive aid. Those who support the use of the GNI per capita criterion argue in favour of the simplicity of the metric.⁹¹ A predecessor International Development Committee expressed reservations about introducing other criteria for ODA eligibility, arguing that:

82 [UIN HL3379](#) [on Climate Change: Finance], 14 November 2022

83 [Q122](#) (Andrew Mitchell). Once a country’s GNI per capita has surpassed the high-income mark for three consecutive years, it graduates and is no longer eligible for ODA. See OECD, [Small Island Developing States – SIDS – OECD](#), accessed 17 January 2024

84 FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

85 A multidimensional vulnerability index is a measure of vulnerability that incorporates a range of factors including dependence on food and fuel imports, damages related to natural hazards, and the share of land classified as low-lying coastal zones. United Nations, [High-Level Panel on the Development of a Multidimensional Vulnerability Index: Final Report](#), September 2023

86 FCDO, [Small island developing states \(SIDS\) and access to finance: statement and call to action, 7 October](#), 19 October 2021

87 United Nations, [High Level Panel on the Development of a Multidimensional Vulnerability Index: Final Report](#), September 2023

88 The 14 SIDS are: Cabo Verde, Dominica, Grenada, Kiribati, Maldives, Republic of the Marshall Islands, Federated States of Micronesia, São Tomé and Príncipe, Samoa, St Lucia, St Vincent and the Grenadines, Tonga, Tuvalu, and Vanuatu. Victoria Dimond, [What Could World Bank Reforms Mean for Climate-Vulnerable Small Island Developing States?](#), Center for Global Development, 26 July 2023. Dimond notes that the World Bank is considering moving towards use of an MVI.

89 Alisa Abrams, [The IMF Framework for Engagement with Small States](#), Independent Evaluation Office of the International Monetary Fund Background Paper, 30 March 2022

90 World Bank, [Evolving the World Bank Group’s Mission, Operations, and Resources: A Roadmap](#), 18 December 2022

91 Oral evidence taken before the International Development Committee on 27 March 2018, HC (2017–19) 547, [Q107](#) (Amy Dodd)

With the possible exception of a small number of resource-rich countries with very inequitable distributions of wealth, it is difficult to see which currently ineligible countries would become eligible if a more nuanced indicator were used.⁹²

Extending ODA eligibility to high-income SIDS may mean that they receive funds that would otherwise go to poorer countries, including to poorer SIDS.

22. Despite the risks, the weight of evidence received by this inquiry leaned in favour of vulnerability-based ODA eligibility measures.⁹³ Due to SIDS' small population size, a small number of wealthy individuals can inflate GNI per capita figures, masking the presence of serious poverty elsewhere (for example, in rural areas).⁹⁴ ODI's Resilient and Sustainable Islands Initiative (RESI) argues that:

The GNI per capita basis on which ODA is allocated is a terrible measure of development in SIDS: it skews their average upwards [...], and it fails to adequately capture the inherent or structural vulnerabilities that pervade the development process in SIDS.⁹⁵

23. RESI cites the example of Antigua and Barbuda, where Hurricane Irma caused damage amounting to 30% of GDP on the eve of its ODA graduation.⁹⁶ The FCDO has told us that:

At the point of Official Development Assistance (ODA) graduation, SIDS are on average dependent on ODA for 26% of external finance, compared to a negligible 1% for other graduating countries.⁹⁷

Graduation can therefore result in SIDS taking on external debt to plug the financial hole left by ODA.⁹⁸

24. Despite the calls from SIDS and their advocates, including the UK, to reform ODA eligibility criteria, the pace of change has been slow: 18 months on from the UK co-chaired Call to Action and seven months after the release of the UN's MVI report, the OECD

-
- 92 International Development Committee, Fifth Report of Session 2017–19, [Definition and administration of ODA](#), HC 547, para 31. In response, the Government wrote that it partially agreed with the Committee's recommendation that it support the GNI-based system. It wrote that:
"We are not proposing to change the current GNI-based system that's calculated and determined by the World Bank. But, we are listening to others, including Small Island Developing States (SIDS), who are trying to make the case for a system that better addresses certain vulnerability considerations."
International Development Committee, [Definition and administration of ODA: Government response to the Committee's Fifth Report of Session 2017–19](#), Fifth Report of Session 2017–19, HC 547
- 93 [Q23](#) (Jean-Paul Adam), [Q79](#) (Christopher Pearce), Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#)), Dr Aideen Foley (Senior Lecturer in Environmental Geography at Birkbeck) et al. ([SIDS0009](#)), Pacific Islands Forum Secretariat ([SIDS0011](#)), UN-OHRLS ([SIDS0013](#)), International Institute for Environment and Development ([SIDS0014](#)), Mr Zachariah Farrand (Student / Member of RGS development geography research group at Lancaster University) ([SIDS0018](#)). It is also one of the priority actions of the Bridgetown Initiative: [BRIDGETOWN 2.0: Urgent and Decisive Action to Reform the International Financial Architecture](#), April 2023
- 94 [Q90](#) (Cletus Springer)
- 95 Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#)), p.2
- 96 Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#)), p.2. Graduation is the process whereby a country, having surpassed the high-income threshold for three consecutive years, no longer becomes eligible for ODA, according to OECD DAC rules. This does not prevent donor countries from providing financial support; it just means that the donor is not able to count this as part of its ODA spend. See OECD, [Small Island Developing States - SIDS - OECD](#), accessed 15 April 2024
- 97 FCDO ([SIDS0003](#))
- 98 [Q10](#) (Jean-Paul Adam), UN-OHRLS ([SIDS0013](#))

DAC has not reformed its policy. In oral evidence to this Committee, UnaMay Gordon expressed her frustration with the lack of progress on unblocking SIDS' access to climate finance:

I really don't think we are being listened to. [...] We are all vulnerable states, and I don't think that we need to sit around any table into the future to be begging for you to listen that we are vulnerable.⁹⁹

25. We recognise that there could be risks in moving towards the use of vulnerability-based measures in determining ODA eligibility. However, such a move is necessary for ensuring that vulnerable SIDS have the opportunity to access UK aid. It will remain for individual donor countries to determine where the need for ODA is greatest. The UK Government should use its membership of, and influence within, the OECD to advocate that ODA eligibility criteria be reformed to reflect SIDS' vulnerabilities. This could take the form of a 'small island exception' as employed by the World Bank or a Multidimensional Vulnerability Index (MVI), such as that currently being considered by the United Nations.

26. To access funding from international bodies such as the Green Climate Fund (GCF), SIDS governments can face onerous application procedures that strain their limited administrative capacity.¹⁰⁰ Emily Wilkinson, Senior Research Fellow and Director of the Resilient and Sustainable Islands Initiative (RESI) at ODI, told this Committee:

It can take more than three years to get a project approved and, according to [...] climate finance specialists I spoke to in the Caribbean, the application costs can be up to 5% of the total value of the project. That is just the cost of the human resources and the consultants they need to bring in to get the application through.¹⁰¹

27. The UK Government funds efforts to support SIDS in accessing climate finance via the FCDO's £40 million Small Island Developing State Capacity and Resilience (SIDAR) Programme, which is outlined in greater detail below.¹⁰² According to the FCDO, the UK Government has also used its seat on the Green Climate Fund to advocate for the fund's updated Strategic Plan to include reforms to improve access to climate finance.¹⁰³ The GCF released a new Strategic Plan 2024–2027 in July 2023, setting out its priorities for the second replenishment cycle (known as "GCF-2") that runs from 2024 to 2027.¹⁰⁴ It lists "significantly improving access to GCF resources" as an operational priority.¹⁰⁵ This includes improvements in the areas of predictability, speed, simplicity, complementarity (that is, alignment with other climate funds), volume, partnerships and direct access. The

99 [Q105](#) (UnaMay Gordon)

100 SIDS governments sometimes lack the resources to collect the data that such bodies require in their application processes. [Q95](#) (Cletus Springer), National Oceanography Centre ([SIDS0004](#)) Dr Aideen Foley (Senior Lecturer in Environmental Geography at Birkbeck, University of London, Senior Lecturer in Environmental Geography at Birkbeck, University of London) et al. ([SIDS0009](#))

101 [Q18](#) (Emily Wilkinson), [Q22](#) (Jean-Paul Adam), [Q95](#) (Cletus Springer), Dr Juan Casado-Asensio (Policy Analyst at OECD) ([SIDS0001](#)). For an example of the level of detail required for a Green Climate Fund funding proposal, see: Tuvalu / United Nations Development Programme (UNDP), [FP015: Tuvalu Coastal Adaptation Project](#), 8 June 2016

102 Funding commitments include a £1.8 million contribution to the Global Green Growth Initiative, which will fund six climate finance advisers in the Pacific region. FCDO ([SIDS0020](#))

103 FCDO ([SIDS0003](#)), p.8

104 Green Climate Fund, [Strategic Plan for the Green Climate Fund 2024–2027](#), July 2023

105 Green Climate Fund, [Strategic Plan for the Green Climate Fund 2024–2027](#), July 2023, section 5.1

UK's co-chairmanship with the Dominican Republic of the GCF in 2024 presents the Government with an opportunity to drive through these desired changes, when they are discussed at the 39th Board Meeting on 4–6 September 2024.¹⁰⁶

28. Accessing climate finance from international organisations such as the Green Climate Fund is a challenge for Small Island Developing States. As co-chair of the GCF in 2024, the UK is well-positioned to push for reforms that benefit SIDS. The UK Government should use its co-chairmanship of the Green Climate Fund's board to advocate for policies that will improve SIDS' access to GCF resources, consistent with the commitments outlined in its 2024–27 Strategic Plan—especially in the area of simplified application procedures.

29. Much international climate finance is delivered in the form of loans rather than grants, which risks dragging SIDS further into debt. The Pacific Islands Forum Secretariat, a regional body representing 18 countries and territories across the Pacific,¹⁰⁷ has argued that:

Incurring debt should be taken off the table as a mode of development assistance for the most vulnerable and resource poor countries like PSIDS [Pacific SIDS].¹⁰⁸

30. The UK Government has committed to delivering £11.6 billion in climate finance between 2021/22 and 2025/26.¹⁰⁹ ICAI estimates that of the Government's projected climate finance commitments:

The bilateral share is almost half of the overall commitment (48%). The multilateral share is 30%. An additional share of approximately 22% of bilateral funds is also channelled through multilateral organisations.¹¹⁰

The FCDO told us that “the UK disbursed approximately £120 million of ICF [international climate finance] to SIDS in financial years 2021/22 and 2022/23”, a figure that includes “bilateral and centrally managed programmes, and the UK share of funding delivered through multilateral climate funds.”¹¹¹

31. The Minister told this Committee that “all of our funding, effectively, is grant funding.” The Government's International Climate Finance Strategy states that:

Grants remain the most common mechanism for the UK's climate finance support with the UK's level of grant-based climate finance support from 2016 to 2019 totalling 89%.¹¹²

106 See Green Climate Fund, [Board work plan for 2024 – 2027](#), GCF/B.38/10, 13 February 2024, Annex II, p.5. The GCF board is due to discuss the partnerships and access strategy at its 39th meeting as part of its work to address the priority of “Enhancing country ownership and access”.

107 [Pacific Islands Forum Secretariat](#), accessed 15 April 2024

108 Pacific Islands Forum Secretariat ([SIDS0011](#))

109 HM Government, [Together for People and Planet: UK International Climate Finance Strategy](#), 30 March 2023, p.6. Although see previous reference to ICAI's analysis arguing that the Government's ability to meet this commitment has relied on methodological changes that allow a greater proportion of UK ODA to be classified as climate finance.

110 Independent Commission for Aid Impact, [UK aid's international climate finance commitments: A rapid review](#), February 2024, para 4.6

111 FCDO ([SIDS0020](#))

112 HM Government, [Together for People and Planet: UK International Climate Finance Strategy](#), 30 March 2023

32. However, the Independent Commission for Aid Impact (ICAI) recently argued that while the UK Government counts its contributions to multilateral development banks (MDBs) such as the World Bank as grants, the MDBs disburse this funding to recipient countries primarily in the form of concessional loans:

The proportion of climate finance delivered generally through MDBs using the grants modality for both climate adaptation and mitigation was also substantially less than through bilateral donors or multilateral climate funds, with MDB grants accounting for 15% for adaptation and less than 5% of their mitigation efforts.¹¹³

33. **We are concerned that the UK labels the climate finance it provides via multilateral development banks as “grants”, but that these are disbursed in the form of loans to recipient countries. The UK Government should ensure that any climate finance it reports as grant funding is disbursed to recipient countries as such, and not in the form of loans.**

34. International financial institutions (IFIs) such as the World Bank and the International Monetary Fund (IMF) are responsible for providing a significant amount of external financing to SIDS.¹¹⁴ However, the UK SIDS Strategy states that these “international systems are simply not delivering sufficiently for SIDS”,¹¹⁵ a point echoed by witnesses.¹¹⁶ This has led to calls for better representation for SIDS within international financial institutions. For example, the Bridgetown Initiative, spearheaded by the Government of Barbados, called for “inclusive and equitable global economic governance”.¹¹⁷ In particular, it called upon shareholders of international financial institutions to improve the representativeness and inclusivity of the governance and operations of international financial institutions, with the aim of improving these institutions’ responsiveness to SIDS’ needs. Of the World Bank’s 25 Executive Directors, none are from SIDS at the time of writing.¹¹⁸ None of the IMF’s 24 Executive Directors are from SIDS.¹¹⁹ By way of contrast, the Green Climate

113 Independent Commission for Aid Impact, [UK aid’s international climate finance commitments: A rapid review](#), February 2024, para 4.46

114 “IDA [International Development Association] made up an average of 10 percent of gross official flows to SIDS that are in the World Bank’s IDA and Blend categories from 2012 to 2021.” Victoria Dimond, [What Could World Bank Reforms Mean for Climate-Vulnerable Small Island Developing States?](#), Center for Global Development, 26 July 2023. Within the World Bank, the IDA (International Development Association) provides finance in the form of grants and interest-free loans to governments of poorest countries, whereas the IBRD (International Bank for Reconstruction and Development) “lends to governments of middle-income and creditworthy low-income countries.” World Bank Group Finances, [IBRD/IDA Summary](#), accessed 15 April 2024. Countries in the Blend category are eligible for funding from both IDA (due to their low income) and IDRB (due to their creditworthiness). A list of countries in the IDA, IDRB and Blend categories can be found here: World Bank, [World Bank Country and Lending Groups](#), accessed 15 April 2024

115 FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

116 Resilient and Sustainable Islands Initiative (RESI) (SIDS0006), International Institute for Environment and Development (SIDS0014); FCDO and Wilton Park, [Small Island Developing States: Improving Finance for Resilience by 2024](#), April 2023

117 [BRIDGETOWN 2.0: Urgent and Decisive Action to Reform the International Financial Architecture](#), April 2023

118 The World Bank Group has four boards, but these boards have the same 25 EDs. Two of the 25 Alternate Executive Directors, who act for EDs when they are not present are from SIDS: one from Cabo Verde (Harold Tavares, AED for Niger’s Abdoul Salam Bello), and one from Barbados (Christopher Sinckler, AED for Canada’s Katharine Rechico). World Bank, [International Bank for Reconstruction and Development, International Finance Corporation, International Development Association: Executive Directors and Alternates](#), accessed 15 April 2024

119 International Monetary Fund, [IMF Executive Directors and Voting Power](#), accessed 15 April 2024

Fund is obliged to include one member and one alternate member from SIDS on its 24-member board.¹²⁰ This year, the Green Climate Fund is co-chaired between the UK and the Dominican Republic.

35. The UK's SIDS Strategy includes “multilateral modernisation” as a focus, but it does not address how IFI governance might ensure better representation for SIDS.¹²¹ Nor does the World Bank address it in its Evolution Roadmap.¹²²

36. **As a major shareholder of the World Bank and IMF, the UK is well-placed to take the lead in advocating for governance reforms that secure better representation for SIDS on these bodies. While this Committee recognises that better board representation would not guarantee that SIDS would enjoy seamless access to finance, it would at least ensure that their voices are heard when decisions on how to allocate finance are being made. *Therefore, in addition to using its own influence within international financial institutions to advocate for reforms that benefit SIDS, the UK Government should also explore how SIDS might be better represented on the World Bank and IMF boards, potentially using the Green Climate Fund's governance structure as a guide.***

120 Two out of the GCF's 24 board members are from SIDS—Milagros de Camps German (Co-Chair, from Dominican Republic) and Dianne Black Layne (Antigua and Barbuda). Green Climate Fund, [Boardroom](#), accessed 15 April 2024

121 FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

122 World Bank, [Evolving the World Bank Group's Mission, Operations, and Resources: A Roadmap](#), 18 December 2022

4 Loss and damage

37. Securing funding to address the loss and damage caused by climate change is a key priority for Small Island Developing States and other vulnerable developing countries.¹²³ Industrialised countries such as the UK have historically reaped the benefits of carbon-intensive economic growth; conversely, as contributors of less than 1% of annual global greenhouse gas emissions, SIDS bear very little responsibility for climate change, and yet they have borne the brunt of its effects.¹²⁴

38. Notably absent from the UK SIDS Strategy is any discussion of funding for loss and damage. The effects of climate change have already had a catastrophic impact on Small Island Developing States, and this is likely to intensify as global temperatures rise further. Infrastructure has been devastated, ecosystems degraded, homes destroyed, lives lost, and livelihoods ruined. Between 2000 and 2022, loss and damage attributed to climate change amounted to an annual average of 2.22% of GDP for low and lower-middle income SIDS compared to 0.63% of GDP for low and lower-middle income non-SIDS.¹²⁵ Dominica, the worst affected SIDS, suffered average annual loss and damage amounting to 9.3% of GDP over this period.¹²⁶ On our visit to Dominica, the Committee heard from policymakers and communities about the devastating effects of Hurricane Maria, which caused loss and damage amounting to 226% of Dominica's GDP overnight in 2017.¹²⁷

39. These are not abstract numbers. Witnesses described how climate change and its impacts are threatening the life prospects of the younger generation and this is driving a growing sense of anxiety. Kristal Ambrose, Founder of the Bahamas Plastic Movement told us:

The thought of being a climate refugee, it gets more real every year. [...] That reality of climate change and understanding that I could not have a home soon, it is very real, especially because I have been seeing the changes in my lifetime. I have been seeing the beaches erode. I have been seeing all the plastic that is washing up on to our coastline. [...] It is a very scary and harsh reality.¹²⁸

Seychelles activist Jeremy Raguain spoke of climate anxiety among young people in the Seychelles:

When we start thinking about my generation, so 30 and under, there is no doubt that this is causing climate anxiety. [...] For those of us who are thinking, "Okay, we will be retiring in 2070", the house that we want to

123 [Q14](#) (Jean-Paul Adam), [Q15](#) (Emily Wilkinson), Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#)), Oxfam GB ([SIDS0010](#)), UN-OHRLS ([SIDS0013](#)), International Institute for Environment and Development ([SIDS0014](#))

124 UN-OHRLS ([SIDS0013](#)), International Institute for Environment and Development ([SIDS0014](#)); UNDP, [Small Island Developing States \(SIDS\): The State of Climate Ambition](#), September 2022

125 Vikrant Panwar, Ilan Noy, Emily Wilkinson and Jack Corbett, [The Costs of Inaction: Calculating climate change-related loss and damage from extreme weather in Small Island Developing States](#), ODI Working Paper, November 2023, Figure 8, p.13

126 Vikrant Panwar, Ilan Noy, Emily Wilkinson and Jack Corbett, [The Costs of Inaction: Calculating climate change-related loss and damage from extreme weather in Small Island Developing States](#), ODI Working Paper, November 2023, p.10

127 Government of Dominica, [Voluntary National Review: Commonwealth of Dominica](#), 2022

128 [Q53](#) (Kristal Ambrose)

afford to live in will be underwater. [...] We come from a history of being brought to these islands, in many cases against our will, and we are again being forced off these islands against our will.¹²⁹

40. To address this challenge, at COP27 in 2022, the international community agreed to the creation of a Loss and Damage Fund. At COP28 in 2023, parties agreed to operationalise it. However, developing countries, and SIDS in particular, expressed their dissatisfaction with elements of this agreement. Chief among these was the decision to host the new Fund in the World Bank on an interim basis for its first four years.¹³⁰ Developing countries argued that the World Bank, the shareholders of which are primarily developed countries, has a poor record of acting in the interests of SIDS. In particular, the Bank has historically disbursed finance primarily in the form of loans, rather than grants. UnaMay Gordon noted that:

The develop[ing] countries are of the view that the World Bank does not serve developing countries and if developing countries are to progress, we need adaptation finance in grants. The World Bank business model is a loan model. In one sense, it speaks absolute nonsense to put a fund in the bank without this reform [away from the loan model] taking place.¹³¹

41. Within the Transitional Committee tasked with operationalising the Fund, the UK supported the World Bank's hosting of the Fund on an interim basis, due to a belief that this would allow it to be set up more quickly.¹³²

42. The UK will have a seat on the Loss and Damage Fund's board.¹³³ Key details on the Fund are yet to be negotiated and are due for approval at COP29 in November 2024 in Baku, Azerbaijan.¹³⁴ Notably, the board will develop the Fund's policy on how finance will be disbursed, whether through "grants, concessional resources and other financial instruments, modalities and facilities."¹³⁵

43. The Committee is concerned that, given its importance to Small Island Developing States, the UK SIDS Strategy makes no mention of issues of loss and damage. We are also disappointed that, having stated its aspiration in the SIDS Strategy to "lend [...] our voice to advocate for issues important to SIDS internationally", the UK opposed the SIDS' position and supported the hosting of the Loss and Damage Fund in the World Bank, even if this was on an "interim" basis. However, as holder of a seat on the

129 [Q67](#) (Jeremy Raguain)

130 Carbon Brief, [Q&A: The fight over the 'loss-and-damage fund' for climate change](#), 7 November 2024

131 [Q118](#) (UnaMay Gordon)

132 Oral evidence taken before the Environmental Audit Committee on 8 November 2023, HC (2023—24) 185, [Q40](#) (Alison Campbell)

133 The Fund's board membership is split between developed countries (12 seats) and developing countries (14 seats), with two seats reserved for SIDS. There are currently four SIDS represented on the board, as, in addition to Fiji and Antigua and Barbuda holding the two dedicated SIDS seats, Barbados holds one of the seats reserved for Latin American and Caribbean States and Timor Leste holds a seat reserved for the least developed countries. United Nations Framework Convention on Climate Change (UNFCCC), [Members nominated to the Loss and Damage fund Board](#), accessed 15 April 2024

134 United Nations Framework Convention on Climate Change Conference of the Parties (UNFCCC COP), [Operationalization of the new funding arrangements, including a fund, for responding to loss and damage referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4](#) (Draft decision -/CP.28 -/CMA.5. Proposal by the President), 29 November 2023

135 UNFCCC COP, [Operationalization of the new funding arrangements, including a fund, for responding to loss and damage referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4](#) (Draft decision -/CP.28 -/CMA.5. Proposal by the President), 29 November 2023

Loss and Damage Fund board, the UK now has the opportunity to advocate in favour of the SIDS' position in decisions over how finance will be disbursed. *Now that the agreement is in place, the UK Government should use its seat on the Loss and Damage Fund board to advocate that the Fund disburses its funding in the form of grants.*

44. Witnesses to this inquiry have argued that the Loss and Damage Fund should be financed by those most responsible for greenhouse gas emissions, including polluting industries, and that funding should be additional and not merely diverted from other existing streams.¹³⁶ At COP28, the UK pledged £60 million to the Loss and Damage Fund but this will be drawn from previously announced pledges, and is therefore neither new nor additional.¹³⁷ The Minister explained the Government's reasoning by arguing that if the Loss and Damage Fund relies on traditional donor countries for funding, it is unlikely to raise the vast amounts needed; it risks subtracting from other development funding, thereby "robbing Peter to pay Paul".¹³⁸ While the UK was willing to make an initial contribution to the Fund:

Loss and damage will only succeed, in my opinion, if it brings in a far wider set of donors and it seeks support from some sort of international levy and not from traditional ODA and development funding.¹³⁹

45. The Committee welcomes the Government's £60 million pledge to the UNFCCC's Loss and Damage Fund, but is disappointed that this is drawn from previously announced commitments. The Committee understands the Minister's contention that wider funding streams are needed, but until these are agreed upon, it befalls to donors such as the UK, who have historically been responsible for higher emissions, to plenish the Fund. *The UK Government should pledge new and additional funding to the Loss and Damage Fund.*

136 [Q15](#) (Jean-Paul Adam, Emily Wilkinson), Oxfam GB ([SIDS0010](#))

137 [Q151](#) (Andrew Mitchell)

138 [Q150](#) (Andrew Mitchell)

139 [Q150](#) (Andrew Mitchell)

5 Legal implications of sea level rise

46. The UK Government has not addressed the legal implications of sea-level rise in its SIDS Strategy. Climate change-induced sea level rise poses an existential threat to low-lying SIDS, some of which will disappear under water by the end of the century if present trends continue.¹⁴⁰ In evidence to this inquiry, Dr Alex Green, Lecturer in Law at the University of York, highlighted the legal implications this may carry for SIDS' legal statehood: The traditional elements of statehood within international law include having a defined territory and a permanent population.¹⁴¹ International law does not explicitly provide for what would happen to an existing state if its inhabitable land was lost because it was submerged. However, it may follow that if inhabitable land is lost in these circumstances, a state is no longer recognised.¹⁴² If that were to happen it could also bring into question the continued recognition of the nationality of the citizens of affected SIDS.¹⁴³

47. In contrast to this interpretation, SIDS have argued that international law presumes that legal statehood and sovereignty endure, notwithstanding the impact of climate change-related sea level rise.¹⁴⁴ They have called on the international community to support their position.¹⁴⁵ Similarly, SIDS have expressed concern that as their coastlines retreat due to sea level rise, their maritime zones will shrink and they will lose their access to ocean resources.¹⁴⁶ SIDS have therefore called on the international community to endorse the legal position that maritime zones are fixed, rather than ambulatory (that is measured from, and therefore moving with, the coastline).¹⁴⁷

48. The UK has tended towards more traditional interpretations of both legal statehood as rooted in territory and population,¹⁴⁸ and maritime zones as ambulatory rather than fixed.¹⁴⁹ In the light of maritime territorial disputes, the Government has stressed that it wants to proceed carefully in order to uphold the “integrity and centrality” of the United Nations Convention on the Laws of the Sea.¹⁵⁰ We understand the Government is

140 Q5 (Emily Wilkinson)

141 Dr Alex Green (Lecturer in Law at York Law School, University of York (UK)) (SIDS0002)

142 Dr Alex Green (Lecturer in Law at York Law School, University of York (UK)) (SIDS0002)

143 Dr Alex Green (Lecturer in Law at York Law School, University of York (UK)) (SIDS0002)

144 Alliance of Small Island States (AOSIS), [AOSIS Statement: United Nations Security Council Open Debate on Threats to International Peace and Security: Sea-Level Rise – Implications for International Peace and Security](#), 14 February 2023

145 Pacific Island Forum, [2023 Declaration on the Continuity of Statehood and the Protection of Persons in the Face of Climate Change-Related Sea-Level Rise](#), 9 November 2023. Some countries have already endorsed this position. For example, Article 2(2)(b) of the 2023 Australia-Tuvalu Falepili Union states that: “The statehood and sovereignty of Tuvalu will continue, and the rights and duties inherent thereto will be maintained, notwithstanding the impact of climate change-related sea-level rise.”

Government of Tuvalu and the Government of Australia, [Australia-Tuvalu Falepili Union](#), 9 November 2023

146 Dr Alex Green (Lecturer in Law at York Law School, University of York (UK)) (SIDS0002); National Oceanography Centre (SIDS0004); Dr Frances Anggadi (Senior Lecturer at Australian National Centre for Ocean Resources and Security, University of Wollongong) (SIDS0016)

147 Pacific Island Forum, [Declaration on Preserving Maritime Zones in the Face of Climate Change-related Sea-Level Rise](#), 6 August 2021

148 Submission of the United Kingdom of Great Britain and Northern Ireland [to the International Law Commission], [Sea-level rise in international law](#), 30 June 2023

149 House of Lords, International Relations and Defence Committee, Government response to the Committee's Second Report of Session 2021–22: UNCLOS: the Law of the Sea in the 21st Century, [HL Paper 159](#)

150 Q168 (Andrew Mitchell). United Nations Convention on the Law of the Sea (UNCLOS) is a 1982 Convention that “lays down a comprehensive regime of law and order in the world's oceans and seas establishing rules governing all uses of the oceans and their resources.” United Nations Division of Ocean Affairs and the Law of the Sea, [United Nations Convention on the Law of the Sea of 10 December 1982: Overview and full text](#), 21 July 2023

monitoring the UN International Law Commission's (ILC) research on the subject.¹⁵¹ An ILC paper on sea level rise and legal statehood is due later in 2024, and a report on the wider topic of sea-level rise in relation to international law is due to be finalised in 2025.¹⁵²

49. The issues of legal statehood and maritime zone continuity provide the UK Government with an opportunity to exercise international leadership in supporting SIDS to address an existential threat. *In the light of the ILC's impending report on the topic, the UK Government should commit to working with like-minded states to explore ways of (i) formally recognising the continuity of Small Island Developing States' legal statehood, should all their inhabitable land disappear due to sea-level rise and (ii) recognising countries' legal maritime zone boundaries as fixed, even if their coastlines retreat due to sea level rise.*

151 [Q169](#) (Andrew Mitchell)

152 "In 2024, the Study Group will revert to the subtopics of issues related to statehood and those related to the protection of persons affected by sea-level rise. In 2025, the Study Group will then seek to finalize a substantive report on the topic as a whole by consolidating the results of the work undertaken."
United Nations, [Report of the International Law Commission: Seventy-fourth session \(24 April–2 June and 3 July–4 August 2023\)](#), 14 August 2023, para 230

6 Capacity building

50. Lack of capacity¹⁵³ is a key issue facing Small Island Developing States. SIDS governments are confronted with the logistical challenge of managing a nation state with constrained fiscal and human resources for a small population that may be dispersed across a vast archipelago. They do this against the backdrop of repeated external shocks. Together, this can amount to a major hindrance to SIDS governments' ability to address their development and environmental needs, particularly in their engagement with external development partners.¹⁵⁴ In the words of a British Academy study:

Even when support is available, [SIDS] often struggle to apply for it; if they can access it, they struggle to manage it; and if they do achieve this, they often struggle to absorb it.¹⁵⁵

51. As will be discussed below, a lack of capacity also diminishes SIDS' ability to voice their agenda at crucial international fora such as COPs. It also means that SIDS' governments may be unable to collect and analyse data that could guide the design and implementation of policy—for example, data on the environmental impact of potential new development projects.¹⁵⁶

52. Previous UK support for SIDS' capacity building efforts has included:

- the recently completed Commonwealth Marine Economies (CME) Programme (total budget not public, 2016–2022¹⁵⁷), which supported SIDS in better understanding and managing their marine resources.¹⁵⁸

153 The OECD lists three aspects of capacity: (i) individuals' knowledge and skills; (ii) the "organisational structures, functions, and systems" that enable individual to achieve shared objectives; and (iii) the wider enabling environment, encompassing elements such as the rule of law and government policies. OECD, [Capacity Development for Climate Action in Small Island Developing States](#), 14 December 2023. The UN defines capacity building as:

"the process of developing and strengthening the skills, instincts, abilities, processes and resources that organizations and communities need to survive, adapt, and thrive in a fast-changing world."
United Nations Academic Impact, [Capacity-Building](#), accessed 16 April 2024

154 [Q2](#) (Emily Wilkinson), [Q95](#) (UnaMay Gordon), Dr Juan Casado-Asensio (Policy Analyst at OECD) ([SIDS0001](#)). Conversely, the Pacific Islands Forum Secretariat told us that,

"The smallness of countries natural[ly] mean that government entities and administrations are also very small in terms of international standards yet sufficient for their operational and governance needs. [...] They only get stretched when they need to expand resources and capacity to meet external demands [such as accessing climate finance or reporting under the Sustainable Development Goals]."
Pacific Islands Forum Secretariat ([SIDS0011](#))

155 Matthew Bishop et al., [Just Transitions in Small Island Developing States \(SIDS\)](#), British Academy, November 2021, p.17

156 [Q70](#) (Christopher Pearce), [Q91](#) (Cletus Springer), [Q93](#) (UnaMay Gordon), Dr Juan Casado-Asensio (Policy Analyst at OECD) ([SIDS0001](#)), Dr Aideen Foley (Senior Lecturer in Environmental Geography at Birkbeck, University of London, Senior Lecturer in Environmental Geography at Birkbeck, University of London) et al. ([SIDS0009](#))

157 FCDO, Centre for Environment, Fisheries and Aquaculture Science (Cefas), United Kingdom Hydrographic Office (UKHO), National Oceanography Centre (NOC), and Atkins, [The Commonwealth Marine Economies Programme: 2022–2026 Summary Report](#), September 2022

158 National Oceanography Centre, [Commonwealth Marine Economies Programme](#), accessed 17 April 2024

- assistance in establishing the Climate Resilience Execution Agency of Dominica (CREAD) (budget £3.8 million,¹⁵⁹ 2019–2023¹⁶⁰), a cross-government agency that led on co-ordinating Dominica’s efforts to become the world’s first climate-resilient nation.¹⁶¹

Current programmes include:

- the Small Island Developing State Capacity and Resilience (SIDAR) programme (budget £40 million, 2021–2026¹⁶²), which aims to improve SIDS’ capacity to access international climate finance and to deliver programmes. Work supported includes “a £4 million contribution to the Global Environment Facility’s SIDS climate adaptation support window”¹⁶³ and “a £2.7 million project with the Caribbean Community Climate Change Centre aimed at scaling up access to climate finance”.¹⁶⁴
- the Sustainable Blue Economies Programme (SBE) (budget: £36 million, 2022–2028), aimed at supporting SIDS in “ocean management and nature-based solutions”.¹⁶⁵ Work supported includes the Asian Development Bank’s Blue Pacific Finance Hub, which aims to provide technical assistance, and to catalyse investment in Pacific SIDS’ blue economies.¹⁶⁶
- The Sustainable Blue Economies Programme is one of a number of programmes funded by the Government’s £500 million Blue Planet Fund (BPF). This was launched in 2021, with the aim of supporting developing countries, including SIDS, “to protect the marine environment and reduce poverty.”¹⁶⁷ It is jointly administered by the FCDO and the Department for Environment, Food & Rural Affairs (DEFRA).

159 FCDO, [Programme Completion Review: Support for the Climate Resilience Execution Agency of Dominica](#), May 2023

160 FCDO Devtracker, [Support for the Climate Resilience Execution Agency of Dominica](#), 28 November 2022

161 [Climate Resilience Execution Agency for Dominica](#), accessed 17 April 2024

162 FCDO Devtracker, [Small Island Developing States Capacity and Resilience Programme \(SIDAR\)](#), 20 November 2022

163 FCDO (SIDS0020). This window (“SCCF Window A”) enables SIDS to access dedicated funding for climate adaptation from the Special Climate Change Fund (SCCF), managed by the Global Environment Facility. The GEF claims that “prior to the focusing of SCCF Window A on SIDS, there was no dedicated multilateral adaptation grant support for non-LDC small islands.” Global Environment Facility, [Special Climate Change Fund \(SCCF\)](#), March 2024

164 FCDO (SIDS0020). The programme will partner with the Caribbean Community Climate Change Centre (CCCCC) across seven Caribbean SIDS: Belize, Dominica, Grenada, Jamaica, St Lucia, St Vincent and the Grenadines, and Suriname. It aims to “help address the barriers that Caribbean SIDS face in planning for, accessing, and effectively utilizing climate finance.” Caribbean Community Climate Change Centre (CCCCC), [£2.7 Million Small Island Developing States Capacity and Resilience \(SIDAR\) Programme launched to help strengthen Climate Resilience and Finance in the Caribbean](#), 21 February 2024

165 FCDO (SIDS0020). The 2023 Annual Review of the progress of the Sustainable Blue Economies programme notes that, following the programme’s approval in November 2021, delivery was delayed by the Government’s reallocation of ODA in light of the crises in Afghanistan and Ukraine:

“This change in the availability of budget adversely affected the SBE and constrained the progress of the programme as originally envisaged. [...] Delivery and reputational risks trended upwards due to the delay in budget allocations and subsequent ODA pause.”

FCDO, [Annual Review 2023: Sustainable Blue Economies \(SBE\)](#), 12 August 2023

166 FCDO (SIDS0020); Asian Development Bank (ADB), [ADB Blue Pacific Finance Hub: A Regional Approach](#), April 2022

167 DEFRA and FCDO, [Blue Planet Fund](#), 27 June 2023. The BPF has seven areas of focus: Marine protected areas (MPAs) and Other Effective Conservation Measures (OECMs), Illegal Unregulated and Unreported (IUU) fishing, international and large-scale fisheries, solid waste and other forms of marine pollution, small scale fisheries management, critical marine habitats for coastal resilience, and aquaculture.

53. In supporting SIDS in building capacity, witnesses have stressed that the UK Government must firstly be led by, and aligned with, local needs.¹⁶⁸ Secondly, they called on the UK to provide long-term, consistent support.¹⁶⁹ The UK Government appears to do the first of these well. Evidence to this inquiry highlighted UK ODA-funded programmes that have been co-developed with SIDS governments and local actors and that hired and trained local staff.¹⁷⁰ Emily Wilkinson, Senior Research Fellow and Director of the Resilient and Sustainable Islands Initiative (RESI) at ODI, outlined the risks and benefits of hiring and training local staff during her work with CREAD, a UK ODA-funded project:

When I was first engaging with the Climate Resilience Execution Agency for Dominica, which had been set up and staffed after the hurricane, supported by the UK, there was a desire for most of the staff to be Dominican nationals or from the Caribbean region, which was achieved. It still took probably a year and a half for the agency to get up and running, to be trusted by Government and civil society [...]. If you had sent in consultant specialists to implement projects right from the start, some of those projects might be a bit further along than they are now, but they would not be being handed over and run by Government and local contractors, which is the process.¹⁷¹

54. Similarly, Dr Christopher Pearce, Principal Marine Geoscientist at the National Oceanography Centre, described how the Commonwealth Marine Economies Programme, also funded by UK ODA, was led by local need:

Every project, every activity that we delivered through the CME programme—and the same pathway is being implemented through the Sustainable Blue Economies programme—is defined by the stakeholders, the countries themselves, in alignment with their existing plans or regional strategies. That is essential to their effective delivery because if we do it otherwise, just going for the photo shot, the infrastructure could be left on the side to rust.¹⁷²

55. The UK Government was also praised for consulting a diverse range of stakeholders, including government, community and youth groups, the private sector, and SIDS regional organisations.¹⁷³

56. Although the UK Government received praise for its work in ensuring that programmes are led by local needs, sometimes the UK's capacity-building efforts appear to have been hampered by annual funding cycles that fail to provide the predictable support necessary to embed local capacity and maintain local relationships. Christopher Pearce told the Committee:

There was a challenge with the CME programme in that it had funding operating on annual cycles. To reiterate, that is not an effective route to develop long-lasting programmes when we as implementers or the country

168 Dr Juan Casado-Asensio (Policy Analyst at OECD) ([SIDS0001](#)), National Oceanography Centre ([SIDS0004](#)), Pacific Islands Forum Secretariat ([SIDS0011](#)); International Institute for Environment and Development ([SIDS0014](#))

169 Dr Juan Casado-Asensio (Policy Analyst at OECD) ([SIDS0001](#)), National Oceanography Centre ([SIDS0004](#)), Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#))

170 [Q77](#) (Christopher Pearce)

171 [Q38](#) (Emily Wilkinson)

172 [Q85](#) (Christopher Pearce)

173 [Q23](#) (Jean-Paul Adam), [Q113](#) (UnaMay Gordon)

partners we are looking to work with do not know at what point it is going to end. Ultimately, the only way we can deliver effective support for any of these countries is to develop a long-lasting programme.¹⁷⁴

57. In principle, the UK Government agrees with the need to disburse funding on a multi-year basis. The Minister told the Committee that:

Where we can, we will certainly do that. [...] In some aspects of funding, such as the humanitarian spend, where we put aside £1 billion for 2024/25, we use an estimate because we do not know what humanitarian needs we will need to face. There has to be some flexibility for the budget [...] I agree [...] that we need to be as long-term and stable in the funding we provide as we possibly can be.¹⁷⁵

58. This Committee acknowledges and welcomes the UK Government's efforts to ensure that its capacity-building programmes in Small Island Developing States are driven by local needs. However, these efforts can be undermined by short-term funding horizons. In its partnerships with SIDS, the Government should therefore commit to making multi-year funded programmes the norm.

59. Engaging in collective action through regional and inter-regional umbrella organisations enables SIDS to overcome constraints on their capacity to advocate internationally and develop and implement policy domestically. While SIDS' regional structures, such as the Caribbean Community (CARICOM) and the Pacific Island Forum (PIF) are well-established (though not without their challenges),¹⁷⁶ SIDS' inter-regional co-operation is less developed; representatives of SIDS from different regions have limited opportunities to engage with each other and share their knowledge and experiences.¹⁷⁷

60. In order to boost SIDS' ability to collectively advocate for themselves on the international stage, witnesses have therefore argued that the UK can play a role in supporting SIDS to build links between different regions.¹⁷⁸ The FCDO has undertaken relevant initiatives, such as the 2021 Call to Action on Small Island Developing States (SIDS) and access to finance, a reception for SIDS leaders prior to King Charles's Coronation in 2023, and various Wilton Park dialogues.¹⁷⁹ It is providing financial backing for the forthcoming Fourth SIDS Conference in May 2024.¹⁸⁰ The Commonwealth Climate Finance Access Hub provides support for SIDS in bidding for climate finance.¹⁸¹ However, witnesses have called for this work to be further developed.¹⁸² Emily Wilkinson, Senior Research Fellow and Director of the Resilient and Sustainable Islands Initiative at ODI, argued:

The UK could effectively play that role in supporting SIDS globally. That would be a very specific role for the UK. No other donor is doing that.

174 [Q81](#) (Christopher Pearce)

175 [Q132](#) (Andrew Mitchell)

176 Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#))

177 [Q63](#) (Jeremy Raguain)

178 [Q35](#) (Emily Wilkinson), Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#))

179 FCDO ([SIDS0003](#))

180 FCDO ([SIDS0003](#))

181 Commonwealth, [Commonwealth Climate Finance Access Hub](#), accessed 17 April 2024

182 Dr Juan Casado-Asensio (Policy Analyst at OECD) ([SIDS0001](#)), Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#))

Australia is very influential and supportive. It is the biggest bilateral donor and supporter of Pacific Small Island Developing States. Global Affairs Canada has a big role in the Caribbean. It has quite a few large programmes supporting Caribbean countries on climate resilience. There is no donor that is looking at this internationally and providing that support to the international representation of SIDS.¹⁸³

In particular, the UK could provide greater support to the Alliance of Small Island States, the small secretariat tasked with giving collective voice to the 39 SIDS' collective demands at COPs and at the UN.¹⁸⁴ It also delivers a fellowship programme that brings together young leaders from SIDS across the three regions.¹⁸⁵ RESI argues that:

AOSIS does a remarkable job on a huge variety of agendas, despite severe human resource and other capacity constraints. The more that can be done to support it, the better for SIDS as a whole.¹⁸⁶

61. We commend the UK's active support for SIDS' collective action and international advocacy. However, SIDS' inter-regional co-operation remains underdeveloped and under-resourced. *The Government should consider providing a small amount of direct funding annually to the Alliance of Small Island States Secretariat to support its work of amplifying SIDS' collective voice in international fora. The 4th SIDS Conference in May presents the ideal forum at which to announce this.*

183 [Q35](#) (Emily Wilkinson)

184 [Q17](#) (Emily Wilkinson)

185 [Q63](#) (Jeremy Raguain); Alliance of Small Island States (AOSIS), [AOSIS Fellowship](#), accessed 17 April 2024

186 Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#))

7 Gender

62. Women and girls are disproportionately impacted by the environmental and economic challenges affecting SIDS. Alisi Rabukawaqa, then Project Liaison Officer at the International Union for Conservation of Nature (IUCN), told this Committee how ocean ecosystem degradation has impacted women working in fishing in Fiji:

In the places where women fish, you will find that more of these impacts are more visibly present in how the coral reefs have changed, where the fish are, how they move, so it takes longer for them to go out and fish. [Women] also travel further to fish. This has an impact on other things in the community [...]. A lot of women go out to fish, and they come back to feed their families. They also have obligations in the schools where [...] they prepare meals. It leads to this issue of the availability of proper nutrition for children in communities. Sometimes it is not as direct, but it is a chain of events that impact on these communities.¹⁸⁷

When Cyclone Winston hit Fiji in 2016 and disrupted the local ecosystem, the women were prevented from fishing entirely.¹⁸⁸ External assistance failed to anticipate or address the resulting lack of protein in local children and babies' diets.¹⁸⁹

63. Survey research by the World Food Programme has found food insecurity to be more prevalent amongst female-headed households. They cite the example of Vanuatu, where 22.2% of female-headed households were found to be food insecure, compared to 13.1% of male-headed households.¹⁹⁰

64. In some SIDS, traditional decision-making structures exclude women.¹⁹¹ Martin Chong, Programme Co-ordinator of the Pacific-European Union Marine Partnership (PEUMP) Programme, told the Committee that:

The participation and inclusion of women in ocean-type activities is still very much a challenge in the region, which this programme is trying to shed light on. [...] There are gaps in that data that we are trying to improve.¹⁹²

The exclusion of women from decision-making processes and a lack of available gender-disaggregated data carries the risk that measures designed to address SIDS' development and environmental challenges can fail to benefit women and girls and may even have a negative impact. A study by Oxfam found that:

In Tuvalu, women are largely unaware of climate change initiatives being implemented in their communities, and that women, particularly in rural communities, feel excluded from the benefits of climate finance.¹⁹³

In an IUCN report on gender and plastics in the Pacific and Caribbean, Jasmine Arnould, Researcher on Sustainable Supply Chains at Profundo and Diana Quiroz, Senior Field

187 [Q59](#) (Alisi Rabukawaqa)

188 [Q56](#) (Alisi Rabukawaqa)

189 [Q56](#) (Alisi Rabukawaqa)

190 World Food Programme ([SIDS0005](#))

191 [Q33](#) (Emily Wilkinson)

192 [Q86](#) (Martin Chong)

193 Oxfam GB ([SIDS0010](#))

Researcher at Profundo, note that disposable nappies and sanitary products, primarily consumed by women, constituted 33.2% of plastics waste disposed in the Pacific in 2020. They hypothesise that the introduction of a single-use plastics ban in SIDS may result in these products becoming more expensive, disproportionately affecting women's economic circumstances. However, gender-disaggregated data is lacking to confirm whether this is true.¹⁹⁴

65. Gender features strongly in the UK Government's White Paper on International Development, which commits to "ensuring that at least 80% of FCDO's bilateral aid programmes have a focus on gender equality by 2030". The Minister told the Committee that:

We are absolutely clear that gender is like the writing in a stick of Brighton rock: it runs through all our policies in the Foreign Office.¹⁹⁵

66. In correspondence, the Minister highlighted a research report that the FCDO had commissioned into women's economic empowerment in the blue economy in SIDS.¹⁹⁶

67. Despite the White Paper's commitment and the resources committed to researching women's empowerment, the UK SIDS Strategy itself makes no explicit mention of gender.¹⁹⁷ The Blue Planet Fund, which funds a number of UK development programmes in SIDS, does not include the promotion of gender equality as a discrete investment criterion, with the result that BPF programmes vary in their gender responsiveness.¹⁹⁸ Similarly, reviewing the UK's international climate finance (ICF) commitments, ICAI concludes that:

Based on the financial analysis conducted for this review, we found insufficient attention to the mainstreaming of gender in ICF and noticed that attention to gender appears to be decreasing over time. Currently 48% of ICF programmes do not apply the gender marker, despite the prioritisation of women and girls in both the White Paper [on International Development] and the UK's international women and girls strategy.¹⁹⁹

68. Evidence received by this inquiry has called on the Government to embed greater consideration of gender in its approach to SIDS.²⁰⁰

69. Given the disproportionate impact of SIDS' environmental and economic challenges on women and girls, it was disappointing to see no explicit mention of

194 Jasmine Arnould and Diana Quiroz, [Gender and Plastics: A Review of the links in select Caribbean and Pacific islands](#), International Union for Conservation of Nature (IUCN), January 2023. The report notes that reusable alternatives are more expensive up front but cost less in the long run (p.24).

195 [Q166](#) (Andrew Mitchell)

196 FCDO ([SIDS0020](#)). The report can be found here: Olivia Jenkins and Gillian Brown, [Women's economic empowerment in the blue economy in Small Island Developing States](#), WOW Helpdesk Query No.73, February 2023. The report was commissioned by the FCDO's SIDS Hub. It has been, "presented to Posts and shared with relevant stakeholders [...] to support Posts to make evidence-based decisions on what types of projects that will support women and LGBTQ groups, who are often disadvantaged communities."

FCDO, [Annual Review 2023: Sustainable Blue Economies \(SBE\)](#), 12 August 2023

197 [Q33](#) (Emily Wilkinson)

198 Independent Commission for Aid Impact (ICAI), [Blue Planet Fund: A Rapid Review](#), November 2023

199 Independent Commission for Aid Impact, [UK aid's international climate finance commitments: A rapid review](#), February 2024, para 4.52

200 World Food Programme ([SIDS0005](#)), Oxfam GB ([SIDS0010](#))

gender in the UK SIDS Strategy. *In its approach to SIDS, the FCDO should ensure that the gendered impacts of SIDS' environmental and developmental challenges are identified and addressed, and that UK support for SIDS is designed and implemented in a way that considers the impact of any interventions on women and girls. It should:*

- a) ***ensure that the FCDO's bilateral aid programmes with SIDS, as well as centrally managed programmes, are on track to meet the commitment, outlined in the White Paper, that 80% of bilateral aid programmes have a focus on gender by 2030;***
- b) ***support SIDS in collecting gender-disaggregated data to map the differential impact of development challenges and policy interventions on women and girls;***
- c) ***make the promotion of gender equality an explicit, discrete investment criterion of the Blue Planet Fund.***

8 Oceans

70. The UK SIDS Strategy has designated “Ocean and Biodiversity” as an area of focus.²⁰¹ Witnesses to this inquiry welcomed its inclusion and identified it as a key concern for SIDS.²⁰² Oceans are crucial to the economies and societies of Small Island Developing States. SIDS stakeholders told us that they are increasingly preferring to use the term “Large Ocean States” alongside, or even instead of “Small Island Developing States”.²⁰³ SIDS’ ocean ecosystems provide economic resources such as fish, drive tourist revenues, and constitute a source of public goods including biodiversity and carbon sinks.²⁰⁴ They play an important role in SIDS’ cultural and spiritual life.²⁰⁵

71. Small Island Developing States’ ocean ecosystems are under threat. Climate change is causing oceans to become warmer and more acidic.²⁰⁶ Warmer water is a key cause of coral bleaching, which occurs when corals expel symbiotic algae and turn white, leaving them more vulnerable to disease and even death.²⁰⁷ Witnesses have told this inquiry that if temperatures reach 1.5 degrees Celsius above pre-industrial levels, it is predicted that the earth will lose 70% of its coral reefs. If temperatures rise by two degrees Celsius, 99% of corals will be lost.²⁰⁸ Ocean ecosystems are also suffering from various forms of pollution. These include pesticides, plastics, and chemicals.²⁰⁹ Illegal, unreported and unregulated (IUU) fishing imperils fish species, 14% of which are threatened with extinction.²¹⁰ International shipping has affected marine mammals such as whales, whether through ship strikes,²¹¹ military sonar (which can cause injuries and death),²¹² or noise pollution (which disrupts their ability to communicate and navigate).²¹³ In coastal areas, developers have cleared mangroves and seagrass beds in order to build homes and hotels.²¹⁴ The International Union for Conservation of Nature has raised concerns that deep sea mining, although not yet widespread, could have a large, negative impact on marine ecosystems.²¹⁵

201 FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

202 APPG for the Ocean ([SIDS0007](#)), OECD ([SIDS0012](#))

203 For example, Seychelles has a land mass of 454 km² and a maritime Exclusive Economic Zone (EEZ) of 1.3 million km², equivalent to three times the size of Germany. [Q9](#) (Jean-Paul Adam). According to the National Oceanography Centre, SIDS steward 30% of the world’s oceans ([SIDS0004](#))

204 [Q7](#) (Emily Wilkinson), [Q8](#) (Jean-Paul Adam), [Q47](#) (Kristal Ambrose), OECD ([SIDS0012](#))

205 [Q48](#) (Kristal Ambrose), [Q60](#) (Alisi Rabukawaqa)

206 United Nations Regional Information Centre for Western Europe (UNRIC), [Oceans in danger: the threats they face](#), 8 June 2022; ScienceDirect, [Coral Bleaching](#), accessed 17 April 2024

207 [Q49](#) (Kristal Ambrose), [Q90](#) (Cletus Springer)

208 [Q63](#) (Jeremy Raguain), Dr David Smith (Coordinator, Institute for Sustainable Development at The University of the West Indies) ([SIDS0008](#)). The source of these figures can be found here: Intergovernmental Panel on Climate Change (IPCC), [Summary for Policymakers of IPCC Special Report on Global Warming of 1.5°C approved by governments](#), 8 October 2018

209 [Q62](#) (Kristal Ambrose), [Q63](#) (Jeremy Raguain), [Q66](#) (Alisi Rabukawaqa); United Nations Regional Information Centre for Western Europe (UNRIC), [Oceans in danger: the threats they face](#), 8 June 2022

210 IUCN, [Red List version 2023–1: Table 1a](#), 11 December 2023. Out of the 27,042 fish species evaluated 3,778 are listed as threatened on the IUCN’s red list. This figure includes freshwater fish.

211 Ida Emilie Steinmark, [Thousands of whales are being killed by passing ships. Can we save them?](#), Guardian, 9 April 2023

212 Scientific American, [Does Military Sonar Kill Marine Wildlife?](#), 10 June 2009

213 World Wide Fund For Nature (WWF), [Watching out for whales: Reducing risks when ships and whales share the seas](#), accessed 30 August 2023

214 [Q53](#) (Kristal Ambrose)

215 IUCN Issues Brief, [Deep-sea mining](#), May 2022

72. SIDS' economies are often small, undiversified, and highly dependent upon ocean-related industries such as tourism and fishing.²¹⁶ Ocean ecosystem degradation is therefore impacting SIDS' economies as well as their resilience to ocean-based hazards. The destruction of their coral habitats and the impact of IUU fishing has led to a decline in fish populations, and fish catches.²¹⁷ Fishers have to go further out to sea to find fish, making their task more time consuming and dangerous.²¹⁸ Coral reefs, sea grass and mangroves constitute a natural barrier, protecting coastal areas from incoming waves. When they are destroyed, they leave coastal communities more exposed to storms.²¹⁹ Coral reef destruction also threatens to diminish the appeal of SIDS to tourists, who come to visit the reefs and the beaches, whose white sand originates from them.²²⁰

73. Many activities threatening SIDS' ocean ecosystems lie beyond the boundaries of SIDS' maritime zones, in areas beyond national jurisdiction. SIDS were therefore strong advocates for the recent and historic development of the 2023 Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction²²¹, commonly known as the BBNJ (Biodiversity Beyond National Jurisdiction) Agreement or the Global Ocean Treaty (GOT).²²² This included provisions for:

- the sharing of benefits from the use of marine genetic resources (Part II)
- greater co-operation in the development of marine protected areas in BBNJ areas (Part III)
- the obligation for states to carry out environmental impact assessments before carrying out activities such as deep-sea mining in BBNJ areas (Part IV)
- capacity-building and marine technology transfer (Part V)
- the establishment of a UN Secretariat to oversee the treaty's implementation (Article 50)²²³

74. The treaty constitutes an important step in the protection of ocean biodiversity. It replaced a "hodgepodge of multilateral treaties and regional arrangements"²²⁴ that had allegedly failed to conserve ocean ecosystems lying outside states' Exclusive Economic Zones, with catastrophic consequences for wider ocean ecosystems. However, the treaty

216 [Q2](#) (Emily Wilkinson), [Q8](#) (Jean-Paul Adam), Dr David Smith (Coordinator, Institute for Sustainable Development at The University of the West Indies) ([SIDS0008](#))

217 [Q8](#) (Jean-Paul Adam), [Q51](#) (Kristal Ambrose), [Q63](#) (Jeremy Raguain), [Q64](#) (Vinzealhar Nen)

218 [Q51](#) (Kristal Ambrose)

219 [Q53](#) (Kristal Ambrose), [Q91](#) (Cletus Springer)

220 [Q8](#) (Jean-Paul Adam), Dr David Smith (Coordinator, Institute for Sustainable Development at The University of the West Indies) ([SIDS0008](#))

221 United Nations General Assembly (UNGA), [Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction](#) (UNGA Conference A/CONF.232/2023/4), 19 June 2023; AOSIS, [SIDS Advance Historic Achievement of BBNJ Treaty](#), 5 March 2023

222 Caribbean Community (CARICOM), [Conservation and sustainable use of marine biodiversity of areas beyond national jurisdiction](#), 10 March 2023; [UIN 2203](#) [on the Biodiversity Beyond National Jurisdiction Agreement], 15 November 2023

223 UNGA, [Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction](#) (UNGA Conference A/CONF.232/2023/4), 19 June 2023

224 Stewart Patrick, [The High Seas Treaty Is an Extraordinary Diplomatic Achievement](#), Carnegie Endowment for International Peace, 8 March 2023

will only come into force when 60 states have ratified it. The UK Government has signed the Global Ocean Treaty but has yet to ratify it.²²⁵ However, it has announced that it does not intend to put the primary legislation necessary to do this in place until the first session of the next Parliament—in other words, after a general election. Delaying ratification carries the risk that the world will miss the “30 by 30” target of protecting 30% of the earth’s land and ocean area by 2030.²²⁶ Furthermore, the UK will forego the opportunity to play a leadership role in the shaping of the implementation of the GOT. The House of Lords International Agreements Committee recommended that:

While noting that the passage of implementing legislation is dependent on Parliamentary time, we encourage the Government to set an ambitious target date for ratification of the Agreement.²²⁷

75. Given that the UK SIDS Strategy sets out “Ocean and Biodiversity” as an area of focus, it is concerning that the Government has ostensibly deprioritised the ratification of the Global Ocean Treaty by failing to designate the Parliamentary time necessary to pass the prerequisite legislation in this Parliament. *The Government should prioritise the laying before Parliament of the primary legislation necessary for ratifying the Global Ocean Treaty before the next election.*

225 At the time of writing (April 2024), the only states to have ratified the treaty are Belize, Chile, Palau and Seychelles. United Nations Treaty Collection, [10. Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction](#), accessed 18 April 2024

226 Reuters, [Dozens of nations to sign U.N. ocean treaty but implementation still awaits](#), 21 September 2023

227 House of Lords, International Agreements Committee, Scrutiny of international agreements: Agreement on Biological Diversity Beyond National Jurisdictions: the UN Oceans Treaty, Session 2023–24, [HL Paper 29](#), para 28

9 Wider Climate Leadership

76. The UK SIDS Strategy recognises that climate change and its impacts pose a severe threat to Small Island Developing States.²²⁸ It pledges to support SIDS' advocacy for more ambitious international action on climate change mitigation. Indeed, the UK has led major economies in reducing greenhouse gas emissions by 50% between 1990 and 2022.²²⁹ In 2021, the UK hosted COP26, at which parties agreed to ambitious new net zero targets. The Climate Change Committee (CCC)²³⁰ congratulated the Government on over-achieving on its emissions reduction target by 15% between 2018 and 2022, the period covered by the UK's Third Carbon Budget.²³¹ However, the CCC noted that this was primarily a result of external factors, such as the impact of the Covid-19 pandemic on transport emissions, rather than "driven by the broad-based decarbonisation policy progress that will be needed to meet future carbon budgets."²³²

77. In September 2023, the Government introduced a series of policies relevant to its climate change targets, including a delay to the ban on the sale of diesel and petrol cars and vans from 2030 to 2035, a delay to the phase-out of oil and liquid petroleum gas (LPG) boilers from 2026 to 2035, and the scrapping of minimum energy efficiency standards for rental properties.²³³ In its assessment of these measures, the Climate Change Committee concluded that they will make it harder for the UK to meet its 2030 and 2050 Net Zero targets.²³⁴ A global failure to reach net zero would reduce the likelihood of limiting global warming to 1.5 degrees Celsius above pre-industrial levels and increase the severity of climate change related impacts affecting SIDS.

78. The Minister argued, contrary to the Climate Change Committee's analysis, which he claimed not to have read,²³⁵ that the Government's policies will not impair its ability to meet the UK's commitment to reduce emissions by 68% from 1990 levels by 2030.²³⁶ Nevertheless, the UK's recent actions on climate change mitigation have attracted criticism. The Independent Commission for Aid Impact (ICAI) has argued that the measures "have contributed to the decline in the UK's global leadership position."²³⁷ ICAI warned that they risk undermining the UK's authority to compel other countries to make and deliver on ambitious net zero commitments.²³⁸ The Government of Jamaica's former Principal Director of Climate Change, UnaMay Gordon, told the Committee:

228 FCDO, [UK Small Island Developing States Strategy 2022–2026](#), January 2023

229 Department for Energy Security and Net Zero, [UK first major economy to halve emissions](#), 6 February 2025

230 The Climate Change Committee (CCC) is an independent, non-partisan statutory body that tracks the Government's progress in reducing greenhouse gas emissions. Climate Change Committee, [About the Climate Change Committee](#), accessed 18 April 2024

231 Climate Change Committee, [Letter: Advice on the Third Carbon Budget carry-over](#), 28 February 2024

232 Climate Change Committee, [Letter: Advice on the Third Carbon Budget carry-over](#), 28 February 2024, Annex p.9

233 Prime Minister's Office, [PM speech on Net Zero](#), 20 September 2023

234 Climate Change Committee, [CCC assessment of recent announcements and developments on Net Zero](#), 12 October 2023

235 [Q164](#) (Andrew Mitchell)

236 [Q159](#) (Andrew Mitchell). Contrast this with the CCC's view that, as of October 2023:

"Taking all recent developments into account, our assessment remains that the UK is unlikely to meet its NDC to reduce emissions by 68% between 1990 and 2030."

Climate Change Committee, [CCC assessment of recent announcements and developments on Net Zero](#), 12 October 2023

237 ICAI, [UK aid's international climate finance commitments: A rapid review](#), February 2024, para 4.33

238 ICAI, [UK aid's international climate finance commitments: A rapid review](#), February 2024, para 5.4

As climate change negotiators and climate change professionals, we are really not pleased at this time with the direction of the UK Government. We thought we had a breakthrough after COP26 but things have taken a turn for the worse. [...] It is very distressing for the Caribbean.²³⁹

79. In its Briefing Note, published in the wake of COP28, the Climate Change Committee argued that the UK can regain its position of international climate leadership by demonstrating best practice domestically.²⁴⁰ It listed a series of next steps on domestic opportunities for climate leadership, including accelerating the deployment of renewables, limiting future fossil fuel production, and committing to a 30% reduction in methane emissions by 2030.

80. **This Committee is concerned that the UK Government’s domestic policies are making it difficult for the UK to be seen as a serious partner to SIDS—the countries likely to be hit hardest by a failure of the international community to meet the agreed target to limit global warming to 1.5 degrees Celsius above pre-industrial levels. *This Committee urges the Government to implement the next steps on domestic opportunities for climate leadership outlined in the Climate Change Committee’s January 2024 Briefing Note.***

239 [Q115](#) (UnaMay Gordon). See also [Q65](#) (Jeremy Raguain), [Q67](#) (Jeremy Raguain), [Q115](#) (Cletus Springer)

240 Climate Change Committee, [COP28: Key outcomes and next steps for the UK](#), January 2024, section 1.2.2, pp.21–22

Annex 1: Request for a written update on the delivery of the SIDS Strategy

The midpoint of the UK Small Island Developing States Strategy 2022–2026 falls in 2024. In oral evidence, the Minister of State for Development and Africa committed to providing this Committee with a written update on progress in delivering the SIDS Strategy across the six areas of focus by 30 September 2024.²⁴¹ The report should also cover:

- a) *A list of Key Performance Indicators against which the Government intends to evaluate the success of the delivery of the SIDS Strategy by the end of the period it covers (2026).*
- b) *An update on progress made in reforming the OECD-DAC's ODA eligibility criteria to better reflect SIDS' vulnerabilities.*
- c) *An outline of what measures to improve SIDS' access to Green Climate Fund resources the UK advocated at the 39th GCF Board Meeting on 4–6 September 2024; which of these were adopted; and the UK's intended next steps.*
- d) *An update on the Government's considerations around recognising the continuity of SIDS' legal statehood and the preservation of maritime zones.*
- e) *An assessment of the level of progress made on issues of concern to SIDS at the 4th SIDS Conference and the areas where more progress may be needed.*

The report should include the following data:

- f) *Data on what proportion of the UK's SIDS-related ODA-supported projects are funded on an annual basis, and what proportion are funded on a multi-year basis.*
- g) *Data on what proportion of SIDS-focussed bilateral and centrally managed ODA programmes have a focus on gender.*

Conclusions and recommendations

The UK SIDS Strategy

1. We welcome the Government's publication of the Small Island Developing States Strategy 2022–2026. Being a firm, committed supporter of SIDS in addressing their developmental and environmental challenges is not only morally right; it is also in the UK's geopolitical interest. However, we are concerned that, given the absence of measurable objectives in the strategy, the UK's commitment to SIDS may slip down the Government's priority list over time. (Paragraph 14)
2. *The Government must honour the commitment it made to provide the Committee with a written update on progress in delivering the SIDS Strategy across the six areas of focus by 30 September 2024. Points that the report should cover are listed in Annex 1.* (Paragraph 14)

Finance and debt

3. We recognise that there could be risks in moving towards the use of vulnerability-based measures in determining ODA eligibility. However, such a move is necessary for ensuring that vulnerable SIDS have the opportunity to access UK aid. It will remain for individual donor countries to determine where the need for ODA is greatest. (Paragraph 25)
4. *The UK Government should use its membership of, and influence within, the OECD to advocate that ODA eligibility criteria be reformed to reflect SIDS' vulnerabilities. This could take the form of a 'small island exception' as employed by the World Bank or a Multidimensional Vulnerability Index (MVI), such as that currently being considered by the United Nations.* (Paragraph 25)
5. Accessing climate finance from international organisations such as the Green Climate Fund is a challenge for Small Island Developing States. As co-chair of the GCF in 2024, the UK is well-positioned to push for reforms that benefit SIDS. The UK Government should use its co-chairmanship of the Green Climate Fund's board to advocate for policies that will improve SIDS' access to GCF resources, consistent with the commitments outlined in its 2024–27 Strategic Plan—especially in the area of simplified application procedures. (Paragraph 28)
6. *The UK Government should use its co-chairmanship of the Green Climate Fund's board to advocate for policies that will improve SIDS' access to GCF resources, consistent with the commitments outlined in its 2024–27 Strategic Plan—especially in the area of simplified application procedures.* (Paragraph 28)
7. We are concerned that the UK labels the climate finance it provides via multilateral development banks as “grants”, but that these are disbursed in the form of loans to recipient countries. (Paragraph 33)
8. *The UK Government should ensure that any climate finance it reports as grant funding is disbursed to recipient countries as such, and not in the form of loans.* (Paragraph 33)

9. As a major shareholder of the World Bank and IMF, the UK is well-placed to take the lead in advocating for governance reforms that secure better representation for SIDS on these bodies. While this Committee recognises that better board representation would not guarantee that SIDS would enjoy seamless access to finance, it would at least ensure that their voices are heard when decisions on how to allocate finance are being made. (Paragraph 36)
10. *Therefore, in addition to using its own influence within international financial institutions to advocate for reforms that benefit SIDS, the UK Government should also explore how SIDS might be better represented on the World Bank and IMF boards, potentially using the Green Climate Fund's governance structure as a guide.* (Paragraph 36)

Loss and damage

11. The Committee is concerned that, given its importance to Small Island Developing States, the UK SIDS Strategy makes no mention of issues of loss and damage. We are also disappointed that, having stated its aspiration in the SIDS Strategy to “lend [...] our voice to advocate for issues important to SIDS internationally”, the UK opposed the SIDS’ position and supported the hosting of the Loss and Damage Fund in the World Bank, even if this was on an “interim” basis. However, as holder of a seat on the Loss and Damage Fund board, the UK now has the opportunity to advocate in favour of the SIDS’ position in decisions over how finance will be disbursed. (Paragraph 43)
12. *Now that the agreement is in place, the UK Government should use its seat on the Loss and Damage Fund board to advocate that the Fund disburses its funding in the form of grants.* (Paragraph 43)
13. The Committee welcomes the Government’s £60 million pledge to the UNFCCC’s Loss and Damage Fund, but is disappointed that this is drawn from previously announced commitments. The Committee understands the Minister’s contention that wider funding streams are needed, but until these are agreed upon, it befalls to donors such as the UK, who have historically been responsible for higher emissions, to plenish the Fund. (Paragraph 45)
14. *The UK Government should pledge new and additional funding to the Loss and Damage Fund.* (Paragraph 45)

Legal implications of sea level rise

15. The issues of legal statehood and maritime zone continuity provide the UK Government with an opportunity to exercise international leadership in supporting SIDS to address an existential threat. (Paragraph 49)
16. *In the light of the ILC’s impending report on the topic, the UK Government should commit to working with like-minded states to explore ways of (i) formally recognising the continuity of Small Island Developing States’ legal statehood, should all their*

inhabitable land disappear due to sea-level rise and (ii) recognising countries' legal maritime zone boundaries as fixed, even if their coastlines retreat due to sea level rise. (Paragraph 49)

Capacity building

17. This Committee acknowledges and welcomes the UK Government's efforts to ensure that its capacity-building programmes in Small Island Developing States are driven by local needs. However, these efforts can be undermined by short-term funding horizons. (Paragraph 58)
18. *In its partnerships with SIDS, the Government should therefore commit to making multi-year funded programmes the norm.* (Paragraph 58)
19. We commend the UK's active support for SIDS' collective action and international advocacy. However, SIDS' inter-regional co-operation remains underdeveloped and under-resourced. (Paragraph 61)
20. *The Government should consider providing a small amount of direct funding annually to the Alliance of Small Island States Secretariat to support its work of amplifying SIDS' collective voice in international fora. The 4th SIDS Conference in May presents the ideal forum at which to announce this.* (Paragraph 61)

Gender

21. Given the disproportionate impact of SIDS' environmental and economic challenges on women and girls, it was disappointing to see no explicit mention of gender in the UK SIDS Strategy. (Paragraph 69)
22. *In its approach to SIDS, the FCDO should ensure that the gendered impacts of SIDS' environmental and developmental challenges are identified and addressed, and that UK support for SIDS is designed and implemented in a way that considers the impact of any interventions on women and girls. It should:* (Paragraph 69)
 - a) *ensure that the FCDO's bilateral aid programmes with SIDS, as well as centrally managed programmes, are on track to meet the commitment, outlined in the White Paper, that 80% of bilateral aid programmes have a focus on gender by 2030;*
 - b) *support SIDS in collecting gender-disaggregated data to map the differential impact of development challenges and policy interventions on women and girls;*
 - c) *make the promotion of gender equality an explicit, discrete investment criterion of the Blue Planet Fund.*

Oceans

23. Given that the UK SIDS Strategy sets out “Ocean and Biodiversity” as an area of focus, it is concerning that the Government has ostensibly deprioritised the ratification of the Global Ocean Treaty by failing to designate the Parliamentary time necessary to pass the prerequisite legislation in this Parliament. (Paragraph 75)
24. *The Government should prioritise the laying before Parliament of the primary legislation necessary for ratifying the Global Ocean Treaty before the next election.* (Paragraph 75)

Wider Climate Leadership

25. This Committee is concerned that the UK Government’s domestic policies are making it difficult for the UK to be seen as a serious partner to SIDS—the countries likely to be hit hardest by a failure of the international community to meet the agreed target to limit global warming to 1.5 degrees Celsius above pre-industrial levels. (Paragraph 80)
26. *This Committee urges the Government to implement the next steps on domestic opportunities for climate leadership outlined in the Climate Change Committee’s January 2024 Briefing Note.* (Paragraph 80)

Formal minutes

Tuesday 23 April 2024

Members present:

Sarah Champion, in the Chair

Dr Rosena Allin-Khan

Mrs Pauline Latham

Chris Law

Nigel Mills

Rt Hon David Mundell

Mr Virendra Sharma

The UK Small Island Developing States Strategy

Draft Report (*The UK Small Island Developing States Strategy*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 80 read and agreed to.

Summary agreed to.

Annex agreed to.

Resolved, That the Report be the Fourth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

Adjournment

Adjourned till Tuesday 7 May at 2.00 p.m.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Tuesday 18 July 2023

Jean-Paul Adam, Director for Policy and Advocacy, Office of the Special Adviser on Africa to the UN Secretary General; **Emily Wilkinson**, Senior Research Fellow and Director, Resilient and Sustainable Islands Initiative, ODI

[Q1–45](#)

Tuesday 5 September 2023

Christopher Pearce, Principal Marine Geoscientist, National Oceanography Centre; **Martin Chong**, Programme Coordinator, Pacific-European Union Marine Partnership (PEUMP) Programme, Pacific Community-SPC

[Q46–67](#)

Kristal Ambrose, Founder and Director, Bahamas Plastic Movement (BPM); **Vinzealhar Nen**, Co-founder, PNG Climate Change Tribe and the Sustainable Ocean Alliance PNG Hub, and PNG Coordinator, 350.org; **Alisi Rabukawaqa**, Project Liaison Officer, International Union for Conservation of Nature (IUCN); **Jeremy Raguain**, Former Communications and Outreach Coordinator, Seychelles Islands Foundation (SIF) and AOSIS Fellow

[Q68–86](#)

Tuesday 24 October 2023

Cletus Springer, Chair, Caribbean Natural Resources Institute (CANARI); **UnaMay Gordon**, Former Principal Director, Climate Change, Government of Jamaica

[Q87–121](#)

Tuesday 23 January 2024

Rt Hon Andrew Mitchell MP, Minister for Development & Africa, Foreign, Commonwealth & Development Office

[Q122–198](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

SIDS INQ numbers are generated by the evidence processing system and so may not be complete.

- 1 All-Party Parliamentary Group for the Ocean ([SIDS0007](#))
- 2 Anggadi, Dr Frances (University of Wollongong) ([SIDS0016](#))
- 3 Casado-Asensio, Dr Juan (OECD Development Co-operation Directorate) ([SIDS0001](#))
- 4 Duneton, Dr Philippe, UNITAID ([SIDS0019](#))
- 5 Farrand, Mr Zachariah (Lancaster University) ([SIDS0018](#))
- 6 Foley, Dr Aideen (Birkbeck, University of London); Moncada, Dr Stefano (University of Malta); Mycoo, Professor Michelle (The University of the West Indies, St. Augustine); Nunn, Professor Patrick (University of the Sunshine Coast); Tandrayen-Ragoobur, Dr Verena (University of Mauritius); and Kumar, Roselyn (University of the Sunshine Coast) ([SIDS0009](#))
- 7 Foreign, Commonwealth & Development Office ([SIDS0003](#))
- 8 Foreign, Commonwealth & Development Office ([SIDS0020](#))
- 9 Green, Dr Alex (University of York (UK)) ([SIDS0002](#))
- 10 International Institute for Environment and Development ([SIDS0014](#))
- 11 Mines Advisory Group (MAG) ([SIDS0015](#))
- 12 National Oceanography Centre ([SIDS0004](#))
- 13 OECD ([SIDS0012](#))
- 14 Oxfam GB ([SIDS0010](#))
- 15 Pacific Islands Forum Secretariat ([SIDS0011](#))
- 16 Resilient and Sustainable Islands Initiative (RESI) ([SIDS0006](#))
- 17 Smith, Dr David (The University of the West Indies) ([SIDS0008](#))
- 18 United Nations Office of the High Representative for LDCs, LLDCs and SIDS (UNOHRLLS) ([SIDS0013](#))
- 19 Westmoreland, Ken ([SIDS0017](#))
- 20 World Food Programme ([SIDS0005](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website.

Session 2023–24

Number	Title	Reference
1st Report	The FCDO's approach to sexual and reproductive health	HC 108
2nd Report	Humanitarian situation in Gaza	HC 110
3rd Report	FCDO and disability-inclusive development	HC 107
1st Special Report	Investment for development: The UK's strategy towards Development Finance Institutions: Government response to the Committee's Ninth Report	HC 367
1st Joint Special Report	Scrutiny of Strategic Export Controls	HC 436

Session 2022–23

Number	Title	Reference
1st Report	Racism in the aid sector	HC 150
2nd Report	Food insecurity	HC 504
3rd Report	From Srebrenica to a safer tomorrow: Preventing future mass atrocities around the world	HC 149
4th Report	(Fourth Report of the International Development Committee) - Developments in UK Strategic Export Controls	HC 282
5th Report	Extreme poverty and the Sustainable Development Goals	HC 147
6th Report	Aid spending in the UK	HC 898
7th Report	Debt relief in low-income countries	HC 146
8th Report	UK aid for refugee host countries	HC 426
9th Report	Investment for development: The UK's strategy towards Development Finance Institutions	HC 884
1st Special Report	Afghanistan: UK support for aid workers and the Afghan people: Government response to the Committee's Fifth Report	HC 152
2nd Special Report	Food insecurity: Government response to the Committee's Second Report	HC 767
3rd Special Report	UK aid to Pakistan: Government Response to the Sixth Report of the Committee	HC 829

Number	Title	Reference
4th Special Report	From Srebrenica to a safer tomorrow: Preventing future mass atrocities around the world: Government response to the Committee's Third Report	HC 992
5th Special Report	Racism in the aid sector: Government response to the Committee's First Report	HC 956
6th Special Report	Extreme poverty and the Sustainable Development Goals: Government response to the Committee's Fifth Report	HC 1177
7th Special Report	Aid spending in the UK: Government response to the Committee's Sixth Report	HC 1367
8th Special Report	Debt relief in low-income countries: Government response to the Committee's Seventh Report	HC 1393
9th Special Report	UK aid for refugee host countries: Government response to the Committee's Eighth Report	HC 1917

Session 2021–22

Number	Title	Reference
1st Report	Assessing DFID's results in nutrition Review: report from the Sub-Committee on the Work of ICAI	HC 103
2nd Report	Global Britain in demand: UK climate action and international development around COP26	HC 99
3rd Report	The UK's approach to tackling modern slavery through the aid programme: report from the Sub-Committee on the Work of ICAI	HC 104
4th Report	International climate finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: report from the Sub-Committee on the Work of ICAI	HC 730
5th Report	Afghanistan: UK support for aid workers and the Afghan people	HC 919
6th Report	UK aid to Pakistan	HC 102
1st Special Report	The humanitarian situation in Tigray: Government Response to the Committee's Tenth Report of Session 2019–21	HC 554
2nd Special Report	The UK's Support to the African Development Bank Group: report from the Sub-Committee on the work of ICAI: Government Response to the Committee's Ninth Report	HC 555
3rd Special Report	DFID's results in nutrition Review: report from the Sub-Committee on the work of ICAI: Government response to the Committee's First Report	HC 780
4th Special Report	Global Britain in demand: UK climate action and international development around COP26: Government response to the Committee's Second Report	HC 1008

Number	Title	Reference
5th Special Report	The UK's approach to tackling modern slavery through the aid programme: report from the Sub-Committee on the Work of ICAI: Government response to the Committee's Third Report	HC 1021

Session 2019–21

Number	Title	Reference
1st Report	Humanitarian crises monitoring: the Rohingya	HC 259
2nd Report	Effectiveness of UK aid: interim findings	HC 215
3rd Report	The Newton Fund review: report of the Sub-Committee on the work of ICAI	HC 260
4th Report	Effectiveness of UK aid: potential impact of FCO/DFID merger	HC 596
5th Report	Humanitarian crises monitoring: impact of coronavirus (interim findings)	HC 292
6th Report	The Changing Nature of UK Aid in Ghana Review: report from the Sub-Committee on the Work of ICAI	HC 535
7th Report	Progress on tackling the sexual exploitation and abuse of aid beneficiaries	HC 605
8th Report	Covid-19 in developing countries: secondary impacts	HC 1186
9th Report	The UK's support to the African Development Bank Group: report from the Sub-Committee on the Work of ICAI	HC 1055
10th Report	The humanitarian situation in Tigray	HC 1289
1st Special Report	Follow up: sexual exploitation and abuse in the aid sector: Government Response to the First Report of the Committee	HC 127
2nd Special Report	Humanitarian crises monitoring: the Rohingya: Government Response to the First Report of the Committee	HC 658
3rd Special Report	The Newton Fund review: report of the Sub-Committee on the work of ICAI: Government response to the Committee's Third Report	HC 742
4th Special Report	Effectiveness of UK Aid: Interim Report & Effectiveness of UK Aid: potential impact of FCO/DFID merger: Government Response to the Second & Fourth Reports	HC 820
5th Special Report	Humanitarian crises monitoring: impact of coronavirus (interim findings): Government Response to the Committee's Fifth Report	HC 1160
6th Special Report	The Changing Nature of UK Aid in Ghana Review: report from the Sub-Committee on the Work of ICAI: Government response to the Committee's Sixth Report	HC 1198

Number	Title	Reference
7th Special Report	Progress on tackling the sexual exploitation and abuse of aid beneficiaries: Government Response to the Seventh Report of the Committee	HC 1332
8th Special Report	Covid-19 in developing countries: secondary impacts: Government Response to the Eighth Report of the Committee	HC 1351