

Attorney-General and Minister for Economy, Civil Service and Communications

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22 November 2019

By E-mail

Dear IDA Deputies

- 1. On behalf and as the chair of the Small States Forum ('SSF'), I am writing to urge you to contribute to an ambitious high-case IDA19 replenishment.
- 2. The SSF consists of 50 states, including 42 with populations below 1.5 million and eight with somewhat larger populations which share similar challenges. About two-thirds are island states, many of which face extreme vulnerabilities due to geography, small land area, limited natural resources, undiversified economies, high growth volatility, and limited ability to absorb external shocks, including from drought and rising sea levels resulting from climate change.
- 3. The SSF was established in 2000 to alert the international community to the unique challenges of small states and to amplify the voices of these states in international development diplomacy. The Forum met most recently on 19 October 2019, where members discussed the IDA19 replenishment with both World Bank President David Malpass and United Nations Secretary General Antonio Guterres.
- 4. Small States ('SS') are grateful for the support that IDA has provided them to date. Today, 24 Forum members are IDA-eligible, with 17 benefiting from IDA's Small Island Economies Exception. Over the past 35 years, IDA has become a leading provider of development assistance to SS, accounting for 20 percent of multilateral official development assistance (ODA) to the group from 2015-17. A ten-fold increase in IDA's minimum annual base allocation to IDA-eligible countries—from SDR 1.5 million in IDA15 to SDR 15 million in IDA18—has especially benefitted small states. In IDA18 (i.e. for July 2017 through June 2020), aggregate country allocations to IDA-eligible members of the SSF reached US\$2.1 billion.
- 5. SS are putting these resources to good use to fund key services, enhance private-sector-led growth, and improve regional connectivity. They have also become vital to addressing the consequences of extreme weather events: in IDA18 alone, IDA's Crisis Response Window has provided \$354 million to help small states to recover and build back better, including in Dominica, following Hurricane Maria; Tonga, following tropical storm Gita; and Comoros, following cyclone Kenneth.
- 6. It is a painful irony to those who live in SS that they have contributed the least to climate change yet suffer its consequences the most. It is also often the most vulnerable populations within SS who are the most adversely affected--farmers whose crops succumb more

frequently to drought and desertification, fishermen who encounter dying reefs and collapsing fish stocks, low-island dwellers who can see a lifetime of effort and investment washed away in a single catastrophic storm. As a group, the SSF members are grateful that IDA recognizes the particular vulnerabilities of these countries to natural shocks and the long-term effects of climate change, and that IDA now takes into consideration a SS's vulnerability to natural disasters when considering requests for IDA-eligibility, including for grant resources.

7. It is important to the future of people living in SS that IDA's enhanced support continue from IDA18 into IDA19. In this context, we urge you to support a high-case IDA19 replenishment of US\$85 billion, so that IDA can continue, in partnership with us, to make investments that will help SS to strengthen our economies, manage our risks and vulnerabilities, and build the institutions and infrastructure needed to bring greater opportunities to our people.

Thank you.

Yours sincerely

Aiyaz Sayed-Khaiyum

Attorney-General and Minister of Economy

Governor for the Republic of Fiji Chair of the Small States Forum