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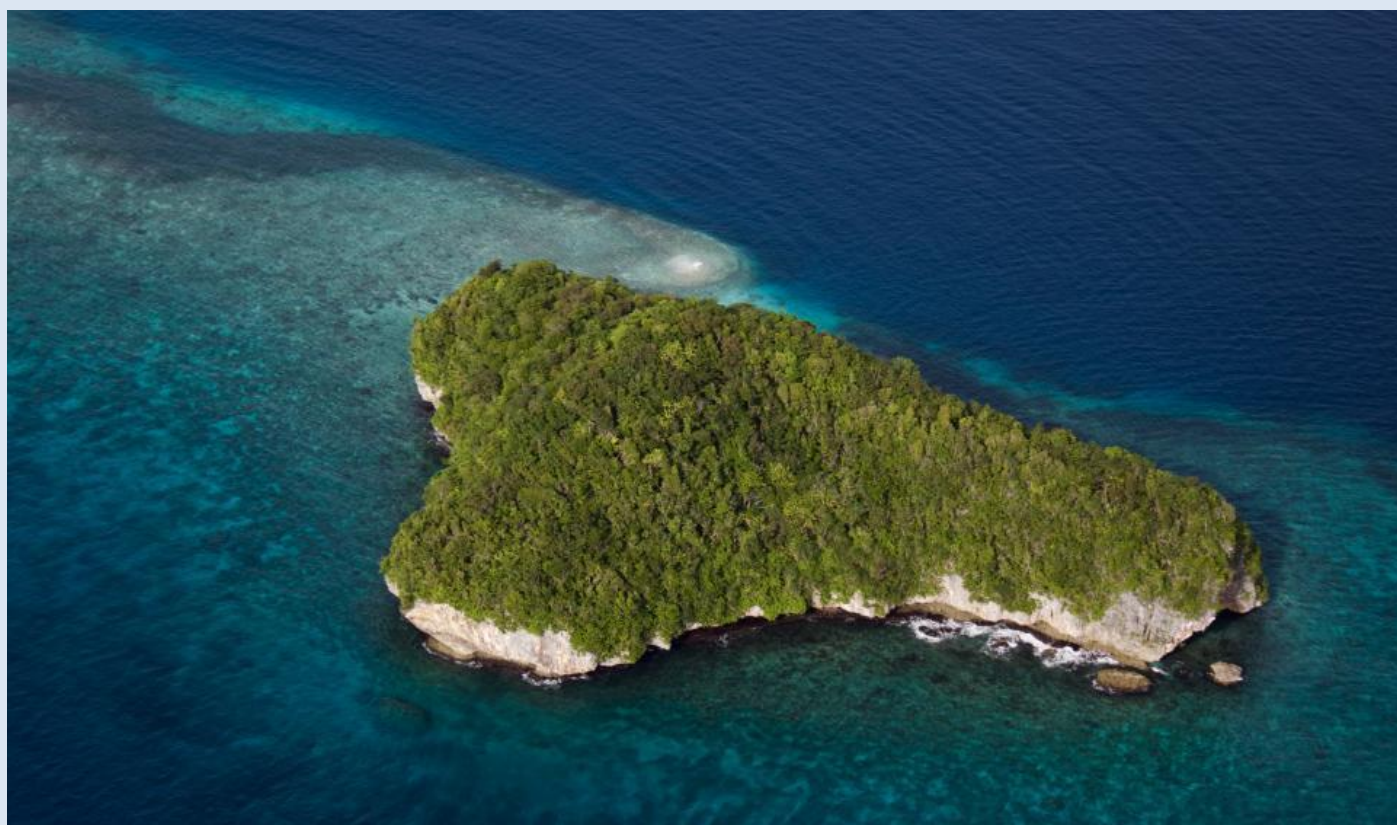
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## India and the Small Island Developing States

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Last month, the fourth International Conference of Small Island Developing States (SIDS) on 'Charting the Course towards Resilient Prosperity' was organised in Antigua and Barbuda. Though spread across different regions of the world, these island states face similar economic and environmental issues, such as limited economic diversification and trade facilitation, high dependence on foreign aid and investment, susceptibility to the impact of climate change, finite collaborations and partnerships, and lastly, deficient capability and capacity to deal with the above challenges. India has been reaching out to these island states both bilaterally and multilaterally. However, as the scourge and reality of climate change worsen, concurrent with the global economic challenges, New Delhi's efforts would require revision and further expansion.

### **SIDS- Understanding the Significance and Geographic Distribution**

SIDS is a grouping of 39 United Nations member states recognised for the first time in the 1992 Rio Conference on Environment and Development. They are spread across different geographical regions of the world, located in– the Indian Ocean, the South China Sea, the Caribbean Sea, the Pacific Ocean, and the Atlantic Ocean. According to the United Nations, the SIDS population is approximately 65 million, which is not even one per cent of the global population.<sup>1</sup> However, the challenges they face are disproportionate and much higher than their contribution to the world. Their vulnerability is further magnified by their geostrategic location along the long distances of the sea with minimal land area and maximum sea surface. Accordingly, they occupy less than 0.5 per cent of the global land area, but their Exclusive Economic Zone (EEZ) is, on average, 28 times the country's land mass.<sup>2</sup> The vast maritime zone that encircles them is not only a source of income through fishing and pristine beaches that invite tourists from all over the world, but they are also the two most volatile and sensitive sectors.

The most consequential, existential, and quintessential challenge for them is the reality of climate change. The contribution of SIDS to global carbon dioxide emissions is less than one per cent, however, the availability of climate finance is extremely low. Out of the total US \$100 billion pledged for climate finance in 2019, only US \$1.5 billion was made available.<sup>3</sup> In 2022, there was a fall of 23 per cent in global climate finance, despite a global Official Development Assistance (ODA) of record US \$287 billion.<sup>4</sup>

The SIDS remains at the forefront of climate change and related events like cyclones, floods, droughts, etc. Therefore, affordable and sustainable finance will be the key to opening the lock to

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the adverse consequences of climate change. As these countries are economically vulnerable and the governments have limited resources, they stand at the mercy of foreign aid and investment. Finance is needed not only to mitigate the adverse consequences of climate change but also to adapt to its future impacts. This will involve a shift to cleaner sources of energy, building climate-resilient infrastructure, training the local population to respond and act to the immediate effect of climate-related events, and lastly, investing in the latest technologies to monitor the related events. Though climate adaptation is in the process of taking root, this is coming at a cost. A cost that is more expensive than the ability of the SIDS to pay, especially when the world is sitting at the cusp of two wars in progress, along with the global economic slowdown. The money that they receive as loans, though given under concessional financing, amounts to a debt burden that is nearly 72 per cent of their GDP.<sup>5</sup> Another facet that is often discussed when it comes to financing for SIDS is that many of them fall into the category of the upper middle-income countries,<sup>6</sup> and hence their ability to deal with climate change is better. But it must also be understood that while the SIDS have significant room for improvement in human development indicators, they have very limited means and mechanisms to achieve sustainable growth. The growth prospects also differ from season to season and from time to time.

### **India's Role in Supporting SIDS**

Under its wider South-South cooperation approach, India has been reaching out to the SIDS both bilaterally and multilaterally, as well as under region-specific strategies to meet the developmental challenges emerging out of climate change. For instance, the Indian Ocean islands are covered under the Security and Growth for All in the Region (SAGAR) initiative, which is based on the bonhomie of centuries-old relations formed when many Indians were brought to these islands as plantation workers by the colonial rulers. The group of islands in the Pacific Ocean are also a part of the Forum for India-Pacific Islands Cooperation (FIPIC), a grouping developed for cooperation between India and 14 Pacific Island countries on various fronts, including renewable energy, disaster management, and climate change. India is also spearheading some important climate adaptation organisations like the International Solar Alliance (ISA) and Coalition for Disaster Resilient Infrastructure (CDRI). In addition to this, last year, New Delhi organised two 'Voice of the Global South Summit' to provide a platform to the SIDS and many other countries to ensure that as the world goes through a turbulent phase, their voices matter. India has also undertaken some significant projects under the India-UN Development Partnership Fund, which was established in 2017. The projects range from solarisation of the head of the state residences in Pacific islands, parametric insurance, mainstreaming gender equality in sustainability and water management,

creating climate resilient rural livelihood, procuring medical equipment, helping them deal with the COVID-19 pandemic, resilient restoration of pivotal public infrastructure, providing climate early warning systems, and many more.<sup>7</sup>

As a developing country that is one of the forerunners in climate change negotiations and adaptation strategies, India needs to give new wings to its two most significant initiatives, ISA and CDRI, rather than solely relying on climate finance, which may encounter several challenges along the way. Potential steps from India could include the following:

- (a) First, identifying projects that need maximum assistance and have the ability to make maximum impact on the ground. This should prioritise community development projects that affect the day-to-day lives of the common masses instead of initiatives that only touch the lives of a few people. Examples include schools, hospitals, parks, street lights, bus stops, airports, seaports, and others.
- (b) Second, the establishment of a structured feedback and follow-up mechanism that is maintained till the completion of the project.
- (c) Third, successful completion of the projects needs to be ensured.

These steps will streamline India's strategic assistance to SIDS, ensuring successful project outcomes and reinforcing India's image as a reliable development partner.

**NOTES:**

<sup>1</sup> United Nation, “About Small Island Developing States”, Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, <https://www.un.org/ohrls/content/about-small-island-developing-states>. Accessed on May 31, 2024.

<sup>2</sup> Ibid

<sup>3</sup> Pual Akiwumi, “Climate Finance for SIDS is shockingly low: Why this needs to Change”, UN Trade and Development, May 24, 2022, <https://unctad.org/news/blog-climate-finance-sids-shockingly-low-why-needs-change>. Accessed on June 01, 2024.

<sup>4</sup> “Aid to small islands fall even as temperatures rises”, UN Trade and Development, May 28, 2024, <https://unctad.org/news/aid-small-islands-falls-even-temperatures-rise>. Accessed on June 02, 2024.

<sup>5</sup> Ibid.

<sup>6</sup> The Organisation for Economic Cooperation and Development, “Characteristics and vulnerabilities of small island developing states” *Making Development Co-operation Work for Small Island Developing States*, April 25, 2018, <https://www.oecd-ilibrary.org/sites/9789264287648-6-en/index.html?itemId=/content/component/9789264287648-6-en#:~:text=There%20are%20significant%20variations%20across%20SIDS&text=Within%20the%20Pacific%20region%2C%20for,b%20Nauru's%20small%20population%20size>). Accessed on June 01, 2024.

<sup>7</sup> “2023 Annual Projects Results”, India-UN Development Partnership Fund, <https://sway.cloud.microsoft/kv4mfB6J5WUnthZe?ref=Link>. Accessed on June 02, 2024.