**Statement by Sir Ronald Sanders, Ambassador of Antigua and Barbuda**

**At Panel 2: Poverty, Public Debt, and Climate Change**

**of the high-level event “An Agenda for Equality: Regional Consultation on Public Policies Against Poverty and Inequality,” September 26, 2025**

**Organised by the Special Rapporteur on Economic, Social and Cultural and Environmental Rights (REDESCA)**

**of the Inter-American Commission on Human Rights**

**“An Agenda for Equality—Equity for Small States”**

I speak as the representative of a small Caribbean state that suffers from the impact of Climate Change and an inequitable international financial system.

**The debt reality: disasters drive borrowing**

In our region, public debt is driven by climate shocks we did not cause.

The major historical and current emitters—who are also the key shareholders of the financial system —have not yet aligned that system with climate reality, rendering rebuilding finance scarce and costly

We are forced to borrow on oppressive terms, including high interest rates and short repayment periods.

When a Category-5 storm wipes out homes, roads, and power, governments must borrow to rebuild - again and again.

In 2017, Category-5 Irma destroyed 95% of Barbuda’s buildings, forcing a two-year evacuation of all inhabitants to Antigua. and a recovery bill of approximately US$200 million.

Less than two weeks later, Maria hit Dominica, causing damage and losses reaching 226% of the country’s GDP.

That is the scale of blows we absorb.

In the smallest Eastern Caribbean economies, public debt is about 71% of GDP (2024) — above the region’s 60% debt target.

Insurance is also becoming unaffordable.

The IMF reports that property-insurance costs in the Eastern Caribbean Currency Union have surged due to tighter reinsurance markets, worsening underinsurance for households and businesses.

**The eligibility trap: per-capita income distorts reality**

Some countries have graduated from concessional finance because of GNI per capita, a metric that hides inequality and vulnerability.

A few high earners - often expatriates - lift the income average; most citizens do not share that income.

The UN General Assembly has already recognised this flaw and, on 13 August 2024, adopted a Resolution to advance a Multidimensional Vulnerability Index (MVI), explicitly to complement GNI to provide access to funding.

But it is still to be implemented in the international financial system.

**Ocean heating is eroding the blue economy**

Meanwhile, the world is now experiencing coral bleaching simultaneously across all three major ocean basins (Atlantic, Indian, Pacific).

Since January 2023, over 84% of the world’s reefs have been exposed to bleaching-level heat stress.

This means dying reefs, weaker coastal protection, and fewer dive and snorkel visitors in the Caribbean.

Reefs underpin tourism and sustain marine life.

Without healthy reefs, both our environment and livelihoods suffer.

Coral-reef tourism generates US$36 billion annually worldwide, with about US$9.5 billion in the Caribbean.

When reefs bleach, vital revenues decline.

Add the record sargassum influx that we suffered this year: 38 million metric tons blanketed the Caribbean and nearby waters, clogging beaches and coastal canals, driving up cleanup costs, and impacting tourism.

**Sea-level rise is squeezing our coasts and airports**

Additionally, the level of the Sea is rising in the Caribbean at roughly 3.4 mm per year - enough to steadily push high-tide lines into hotels, roads, ports, and runways in coastal areas.

One study projects 38–47% losses in tourism revenue by 2100 due to sea-level rise unless major and expensive adaptation is made.

Low-lying sea ports and airports across Latin America and the Caribbean are exposed.

This is a real and present danger now.

It requires well-financed, long-horizon planning.

Without timely investment, port closures from flooding and storm surge will trigger severe economic disruptions worsening unemployment and poverty.

**Effects beyond immediate Climate Impact**

The impact of Climate goes beyond physical disaster.

Because of financial constraints, Caribbean countries are struggling - unsuccessfully - to keep their tertiary educated people at home to help accelerate economic and social development.

Research by the MF estimates that 70% of the Caribbean’s tertiary -educated have emigrated to OECD countries.

**Equity not Charity**

What we are seeking is equity, not charity.

Here are five things that would help.

1. Make the MVI operational across Multilateral Development Banks, so small states with high climate vulnerability can access affordable finance even when per-capita income looks “high” on paper.
2. Offer loans with maturities of 30 + years, low fixed rates, and a 5-year grace period on principal for climate-resilient public investment.

These terms match the long life of resilient infrastructure.

1. Make climate-resilient debt clauses mandatory in all sovereign loans and bonds, automatically pausing payments after a verified disaster.
2. Invest in reef restoration, wastewater upgrades, and coastal defences that keep beaches and reefs alive.
3. Reinsurers, development banks, and the most significant greenhouse gas emitters should collaborate to lower insurance premiums for climate change victims.

**Why equity matters to poverty and inequality**

Every dollar we divert to high-cost debt service after a storm is a dollar not spent on housing, clinics, schools, and climate adaptation.

When small and medium-sized businesses cannot insure or rebuild, unemployment spikes, and families fall into poverty.

To stop poverty from expanding, we must reduce the cost of capital, pause debt repayments after shocks, and fund resilience before the next storm.

The impacts of climate change are accelerating faster than the fiscal capacity of small states to adapt.

Average disaster losses run near 2% of GDP a year, adaptation needs are 3.4% of GDP, yet SIDS receive only 2% of tracked adaptation finance — while insurance costs soar —proving that impacts now outpace fiscal capacity and today’s finance norms amplify inequity

**Human Rights**

Climate change and debt are human-rights issues.

Financing terms must protect essential services and social-spending floors, avoid measures that push people back into poverty, ensure non-discrimination and public participation, and provide remedies when harm occurs as affirmed by the Inter-American Court of Human Rights (OC-23/17) and the International Court of Justice’s 2025 advisory opinion

**Closing**

Small states are not asking for special favours.

The law and human rights are on our side.

We are simply asking the system to price risk honestly and finance resilience fairly.

Thank you.