Statement by

His Excellency the Honourable Baron Divavesi Waqa M.P.

President of the Republic of Nauru

at the

General Debate

of the Sixty-eighth Session

of the

United Nations General Assembly

Thursday, 26 September 2013
United Nations, New York
Mr. President,

Distinguished Delegates,

Ladies and Gentlemen

May I first congratulate you on your election as the President of the 68th session of the United Nations General Assembly. I am sure that your wisdom and experience will guide our deliberations on the many challenges that the world faces today.

Also, allow me to commend His Excellency Mr. Vuk Jeremić for his excellent leadership during the sixty-seventh session.

Mr. President,

You know better than most the unique combination of challenges faced by Small Island Developing States. We are being battered from all sides, both literally and figuratively. Over the past decade we have faced a flood of crises with a genesis far from our shores that have stretched our capacity to protect and improve the health and prosperity of our people.

The near collapse of the global financial system and spikes in the price of food and energy have caused enormous difficulties for our small and vulnerable economy. A severe drought caused additional hardship and foreshadowed the much more difficult future we will face in a warming world. And at the same time, the flow of ODA and climate finance has begun to stagnate.

Thankfully, Mr. President, we are presented with an unprecedented opportunity over the next few years to transform how the international system supports sustainable development. We will be continuing work in a number of important processes under your leadership, including the Sustainable Development Goals and the post-2015 development agenda, the High Level Political Forum on sustainable development, and, of particular importance to my country, the Third Conference on the Sustainable Development of SIDS. In addition, we must make rapid progress towards a new climate change agreement in 2015, which will obviously have enormous implications for the sustainable development prospects of our small islands.

We must work in a coordinated fashion so that these processes are mutually reinforcing and deliver concrete results rather than the usual rhetoric. It will be a challenge, but under your skilled leadership, I am confident we can succeed.
However, Mr. President, I fear we will come up short of our ambitions for transformational change if we shy away from making fundamental reforms of the way our global economy works.

We began a promising conversation on this matter back in 2008 when the financial crisis was still fresh in our minds, but as stock prices have rebounded, our attention has wandered. Let us not forget that most of the problems that caused the previous crisis have not been fixed. These same problems also undermine sustainable development in many countries and communities around the world.

In 2008, the Commission on Financial Reforms issued a report to this body that considered the problem that finance, which should be the servant of the economy, has been promoted to be its master. The rules of economic governance have been increasingly written to serve the interests of a shrinking few as they pursue risky ventures – ventures that are often quite destructive to the lives and livelihoods of real people.

We are very familiar with one of the results of this system: stock bubbles, currency bubbles, property bubbles. When they burst, they leave behind enormous hardship. Even worse, these risky activities compete with more productive investments in basic infrastructure, renewable energy, health services, and other things that contribute to real sustainable development.

Our reckless inaction is demonstrated by the inflation of the latest bubble – the Carbon Bubble. At least two-thirds of known fossil fuels cannot be burned if we are to limit the rise in global temperatures to below two degrees. At the same time, the price of renewable energy has fallen considerably in the last decade. By any measure, fossil fuels are a very bad long-term investment. However, this has not prevented trillions of dollars in private investment and fossil fuel subsidies from pouring into new infrastructure for the exploration, extraction, and consumption of fossil fuels.

The size of the recent housing bubble has been estimated at $4 trillion. The carbon bubble could be over five times larger. This should be an issue of serious international concern.

How do we allow trillions of dollars to flow into destructive activities while the most basic needs of millions go unmet? The reasons are complicated, but make no mistake that this is a choice. It is a choice made by international policy makers to prioritize profits over people.

Mr. President,

As you said earlier this week, and I quote "it is time for us to concede that our efforts at reforming and revitalizing our organization need new impetus" unquote.
Reclaiming the global economic system and putting it to work for the good of all people will be a long and difficult process, but it may be the only way to reach our sustainable development goals.

The Commission’s 2008 report made many good recommendations for our consideration, and the first step must be to bring more transparency and democratic oversight to economic governance. The most important decisions are not made in universal bodies such as the General Assembly, but rather far away from the small, the isolated, and the vulnerable. Is it any surprise that the system has failed to meet our needs?

To address this problem, we should start by restarting the discussion on global economic governance here at the General Assembly, as well as by reforming the governance of the Bretton Woods Institutions so that they are more inclusive.

Mr. President,

The systemic barriers to sustainable development are formidable, but that has not stopped Nauru from seeking practical solutions that can be readily implemented in the short term.

An example is the recently completed Nauru Case Study on Climate Change Finance. The study identified a number of steps my Government and our development partners can take to make ODA more effective. For example, project-based finance was found to be markedly less effective than more flexible modalities, such as general budgetary support.

Another key finding was the need for domestic institution building. Accessing many sources of multilateral finance is quite frankly beyond the capacity of my Government, and the traditional strategy of conducting regional workshops has simply not worked. We hope to collaborate with development partners to design sustained programs with a significant in-country component so that there is a durable transfer of the skills necessary to benefit from international support mechanisms.

Nauru has also made our best efforts to contribute at the international level. We have the tremendous honor of Chairing the Alliance of Small Island States (AOSIS), a group that has been a leading advocate for climate action for over two decades. The upcoming Conference of Parties in Warsaw will be important to laying the foundation for an ambitious agreement in 2015.

A key priority for COP19 will be jumpstarting near-term mitigation action through the launch of a more technical expert process focused on energy efficiency and renewable energy. AOSIS has proposed a very practical and collaborative approach to rapidly scale up the implementation of policies and deployment of technologies that not only reduce greenhouse gas emissions, but also advance
domestic sustainable development priorities. In the view of AOSIS, this technical process can help enable a much more ambitious post-2020 agreement.

The proposal in no way relieves developed countries of their international obligation to take the lead in addressing climate change. They should be held accountable for fully implementing best practices to reduce their own emissions, while also providing the means of implementation for adaptation and mitigation actions in developing countries. The AOSIS proposal is a means for accomplishing these objectives.

Establishing an international mechanism to address Loss and Damage is also a key priority for AOSIS, as is mobilizing climate finance and making sure the Green Climate Fund is ready to accept donor contributions in 2014.

Mr. President,

Climate change is the greatest challenge to the sustainable development of small islands, and come to terms with the fact that, due to our delay, some grave impacts are now unavoidable. Some will have security implications. Addressing the security implications of climate change remains a key priority to Nauru and the Pacific Small Island Developing States (PSIDS) and I would like to reiterate our proposals for moving forward.

First, we are calling for the appointment of a Special Representative on Climate and Security to help expand our understanding of the security dimensions of climate change. The Special Representative would regularly report to the General Assembly and the Security Council on emerging climate-related security threats, as well as facilitate regional cooperation on cross-border issues. Vulnerable developing countries in particular could benefit from a Special Representative equipped to help them evaluate their security situation and develop action plans to increase the resilience of their institutions. In the future, the Special Representative could become an invaluable asset in preventative diplomacy efforts and post-conflict situations.

Second, we are requesting the United Nations Secretary-General to lead a joint task force of all relevant organs and specialized agencies to immediately assess the capacity and resources of the United Nations system to respond to the anticipated security implications of climate change. We have heard in countless fora about the potentially destabilizing affects of climate change, yet we have only the vaguest idea of what an international response to these growing impacts would look like. This needs to change. We must start preparing for the challenges that lie ahead. As the Secretary-General said at the High-Level Political Forum, and I quote, “we must strengthen the interface between science and policy” unquote.
The world’s attention is now focused on the immense suffering in Syria, and on behalf of the people of Nauru, I would like to offer my prayers to the millions of people whose lives have been affected by the conflict in Syria. We stand in horror at the scale of human atrocity and I am left to ask: do we always have to wait for well over 100,000 people to be killed before we can find solutions to global peace and security?

As you observed, the mandate of this body has limitations and you, as President, cannot issue resolutions that bind countries. The United Nations entrenches enormous power in the hands of a tiny minority, not so different from how global economic governance is dictated primarily by eight.

Mr. President,

Nauru is always striving to improve bilateral relations. I would like to express my gratitude to Australia, which has always been an important partner. We are looking forward to our continued work with the new Government as we continue to collaborate on joint projects that are delivering important benefits in my country.

Nauru is gratified to note that with the solid international support and the cross-strait rapprochement, the Republic of China (Taiwan) has increased its meaningful participation in UN specialized agencies and mechanisms. We continue to encourage the positive interaction between the two sides of the Taiwan Strait in the international arena. Furthermore, I would like to recognize the contributions that Taiwan has made to helping my country make progress towards the Millennium Development Goals (MDGs).

We also express our gratitude to the Governments of New Zealand, Russia, Japan, Republic of Korea and India, who are all invaluable partners in our joint effort to bring sustainable development to my island.

Mr. President,

As you aptly described in your opening statement, setting the stage for sustainable development will require introspection, frank discussion, and coming to terms with some hard truths about the nature of the challenges we face, and the institutions we have at hand to solve them. Only by correctly diagnosing the problems and choosing the appropriate tools to begin our work, will we be able to reach satisfactory outcomes that benefit us all.

God bless the Republic of Nauru and God bless the United Nations.

Thank you.