

KAMARIS Philippe

From: Patrick McMullan [pmcmullan@maldivesmission.eu]
Sent: 04 January 2011 13:53
To: 'Patrick McMullan'
Subject: Maldives Graduates to Middle-Income Status

For your kind attention:

Maldives Graduates to Middle-Income Status

1st January 2011, Male; The Maldives today officially graduated from Least Developed Country (LDC) to Middle-Income Country status, in recognition of the country's strong socio-economic development over recent years. Marking the occasion, acting Minister of Foreign Affairs, Minister of Housing and Environment H.E. Mr. Mohamed Aslam, this morning reaffirmed the Government's view that graduation should be viewed in a positive light – as an achievement and an opportunity rather than as a threat. Notwithstanding, Minister Aslam noted that the move to Middle-Income status will result in the loss of various privileges and benefits that the country has hitherto enjoyed across trade, development assistance and UN budgetary support, and that the Government is working actively to minimize any negative impacts.

The Maldives has been included on the United Nation's list of Least Developed Countries ever since the list was officially established in 1971. LDCs are those countries which are considered to possess the lowest indicators of socio-economic development (calculated on the basis of gross national income per capita, human capacity, and economic vulnerability). Following the graduation of Botswana (1994), Cape Verde (2007), and now the Maldives (2011), there are 48 LDCs – mainly from Africa but also Asian States including Bangladesh, Nepal, Bhutan and Afghanistan. Because of the particular difficulties faced by LDCs, the international community, led by the UN, offers them various preferences and benefits. For example, they tend to receive higher levels of development assistance and concessionary finance than other countries, enjoy preferential access to overseas markets, and receive support from the UN to travel to and attend international meetings.

The United Nations Conference on Trade and Development (UNCTAD) which has supported the Maldives in its preparations for graduation, has estimated that the main impacts will fall on: levels of international development assistance earmarked for the Maldives; on the country's bilateral trade with key markets such as the EU and Japan; on the level of multilateral trade obligations (under the WTO); and on the national budget as a consequence of the removal of financial support for travel to international meetings etc.

Ahead of graduation, the Government has therefore been working to minimize these negative impacts and help ensure a "smooth transition" from LDC to Middle-Income status. For example, at last year's Maldives Donors' Forum, development partners were urged to continue with current levels of donor support; in the area of bilateral trade, the Government recently negotiated with the EU to ensure that Maldivian exporters will continue to enjoy preferential access to the European market for a further three years; regarding multilateral trade, the WTO is actively assisting the Maldives implement its smooth transition and has also agreed to continue trade-related technical assistance to the Maldives under the LDC Enhanced Integrated Framework for a period of three years (with an option of a two more years); and in order to soften the impact on the Maldives' budget, the Government has negotiated with the Swiss Government to continue to subsidize the cost of renting office space for the Maldives Mission in Geneva for three further years. The Government is also in talks with the UN in New York to extend international travel support.

Longer-term, the Maldives is pushing for the establishment of a new official UN category of "Small Island Developing States" (SIDS) which would enable important preferences and benefits to continue where they are vital for SIDS development. In the WTO, the Maldives is already working with the Small and Vulnerable

Economies (SVE) Group to ensure that such economies benefit from necessary flexibilities in the current round of global trade liberalization talks.

ENDS

Kind regards,

Patrick McMullan

KAMARIS Philippe

From: Patrick McMullan [pmcmullan@maldivesmission.eu]
Sent: 21 December 2010 10:03
To: 'Patrick McMullan'
Subject: Maldives Seeks WTO Support to Soften Impact of Graduation

For your kind attention:

Maldives Seeks WTO Support to Soften Impact of Graduation

Tuesday 14th December 2010, Geneva; The Maldives Permanent Representative to the World Trade Organization (WTO), H.E. Ms. Iruthisham Adam, today delivered a speech at the WTO General Council in which she outlined the challenges faced by the Maldives as the country prepares to graduate from Least Developed Country status. Ambassador Adam used the speech to stress that, despite graduation; the Maldives remains acutely vulnerable at economic, commercial and environmental levels and thus will continue to require flexibilities under multilateral trading rules. A number of the Maldives' key partners in the global trading system, in response, offered support to the Maldives as it strives to adjust to the loss of LDC special preferences. Ambassador Adam noted the support from WTO Secretariat to hold the capacity-building workshop to be held in the Maldives next week to help prepare for graduation.

Speaking at WTO headquarters in Geneva, Ambassador Adam informed delegates that the UN had decided to remove the Maldives from the list of LDC countries on the basis of its strong socio-economic development over recent decades, but that in-so-doing the UN had ignored the issue of vulnerability. The Maldives, in common with many other Small Island Developing States, is very vulnerable to external economic and environmental shocks such as the oil and financial crises and the 2006 Tsunami. Thus, while the President of the Maldives, H.E. Mr. Mohamed Nasheed, has welcomed graduation as a positive step in the country's development, the Maldives will nevertheless continue to require special treatment and support from international partners – including in the area of trade.

She therefore asked WTO Members to provide policy space under the various international trade instruments as well as under the ongoing Doha Developing Agenda round of international trade negotiations. She further expressed her wish to work closely with other Small and Vulnerable Economies (SVE) negotiating Group in the WTO to help secure flexibilities for such States. Ambassador Adam especially appealed for the understanding of WTO members in seeking legal flexibilities in areas where the Maldives stands to face higher obligations under the international trade laws as a result of its graduation.

The Ambassador noted that the Maldives is the first WTO Member to undergo graduation and the associated loss of LDC trade benefits, and thus its experience, and the manner in which the WTO lends support, will act as a template for other graduating LDCs in the future.

Responding to the Permanent Representative, delegations congratulated the Maldives on its development progress and pledged to work with the country to ensure a smooth transition to middle-income status. The European Union informed members of its decision on 3 December 2010 to extend Everything But Arms (EBA) duty-free and quota-free trade benefits to the Maldives for a further three years, and promise of assistance even beyond that period. Barbados spoke to welcome the Maldives to the Small and Vulnerable Economies Group.

The Maldives will graduate from the UN's LDC list on 1st January 2011.

ENDS.

Kind regards,

Patrick McMullan

06/01/2011

KAMARIS Philippe

From: Patrick McMullan [pmcmullan@maldivesmission.eu]
Sent: 16 December 2010 16:29
To: 'Patrick McMullan'
Subject: President Nasheed welcomes Cancun Agreements

For your kind information:

PRESS ROOM / Press Releases
16 December 2010 | Ref #: 2010-898

President Nasheed welcomes Cancun Agreements

President Nasheed has pledged the Maldives' backing for the 'Cancun Agreements' on climate change, which were adopted last week at a United Nations meeting in the Mexican seaside resort.

In a letter sent today to Mexican President Felipe Calderón, President Nasheed said that the Maldives "strongly supports" the Cancun Agreements and expressed hope that decisions in Cancun will "form the basis of a new legally-binding treaty to tackle climate change."

The Cancun Agreements build on the success of the Copenhagen Accord, which was brokered at a UN climate summit in the Danish capital last year.

The Cancun Agreements include key elements of the Copenhagen Accord, such as emissions reductions pledges from all countries and \$100bn of funding per year from 2020, to help developing countries adapt to climate change and pursue low carbon growth.

The President congratulated President Calderón for his government's "remarkable achievement in successfully brokering the balanced package of decisions now known as the Cancun Agreements."

The President's letter said that the COP16 climate change meeting in Cancun had "restored faith in the UNFCCC process."

The President welcomed, in particular, the inclusive and transparent manner in which the Mexican Government organised the talks and the strong leadership shown by Mexican Foreign Minister Ms. Espinosa, acting as the President of the COP16 talks.

President Nasheed noted that the Cancun Agreements reflect the Maldives' view that all countries share the responsibility in tackling climate change; and developed countries should help developing countries shift towards low carbon development.

The President said, he was delighted that this "progressive and cooperative outlook underpins the Cancun Agreements."

ENDS

Kind regards,

Patrick McMullan

11/01/2011

KAMARIS Philippe

From: Patrick McMullan [pmcmullan@maldivesmission.eu]
Sent: 09 December 2010 11:28
To: 'Patrick McMullan'
Subject: Maldives rejects accusation of being 'bought off' by US over Copenhagen Accord

For your kind attention:

Maldives rejects accusation of being 'bought off' by US over Copenhagen Accord

8 December 2010, Male'; The Maldives today publicly released diplomatic documents which show that the country pledged its support to the Copenhagen Accord unilaterally and without reservations on 19 December 2009, just hours after the climate change negotiations concluded in the Danish capital.

Foreign Minister Dr Ahmed Shaheed said the reason for releasing the letters was "in the interests of full disclosure" to prove that the Maldives supported the Copenhagen Accord on its own merits. Shaheed said that some parties are attempting to smear the Maldives, by selectively quoting US government cables published by WikiLeaks, claiming that the Maldives in February 2010 suggested to the Americans it would only sign onto the Copenhagen Accord in receipt of US assistance of \$50 million.

The documents released today show that the Maldives signed onto the Copenhagen Accord over two months before the meeting between the Maldivian Ambassador to the US and American Government officials in which the Maldives supposedly demanded funding from the US in exchange for support for the Copenhagen Accord. The documents also prove that it was in fact the Maldives which was actively lobbying other Parties, including the US, to associate with the Accord. Not the other way around.

"President Nasheed spent many hours late at night in the final Heads of State meeting which negotiated the Copenhagen Accord, working with other leaders to try to avoid a total collapse of the negotiations and to ensure that the interests of small island and vulnerable countries were protected," said Maldives Foreign Minister Dr Ahmed Shaheed. "Having been so intimately involved in negotiating the document, it was natural that the Maldives signed up to the Accord immediately after the Copenhagen Negotiations ended," Shaheed emphasized.

"Moreover, immediately after associating ourselves with the Accord, the Maldives led a diplomatic offensive to urge others, including the US, to follow suit. In addition to the personal efforts of the President, I, in my capacity as Foreign Minister, sent over 50 letters to my counterparts in key national capitals urging support for the Copenhagen Accord, and pressing for the rapid operationalization of the fast-start financing agreement reached at COP15. To suggest, therefore, that the US somehow paid-off the Maldives to support the Accord defies all logic. The documents released today prove this fact".

"Some parties are trying to spin this non-story into a scandal in order to undermine the progressive voices of small island states such as the Maldives," Dr Shaheed continued. "We are seeking to play a bridging role between rich and poor nations in the interests of getting a deal that will save our countries from a watery grave," he continued, "but not everyone supports this effort."

In the context of the current negotiations in Cancun, Maldives Foreign Minister Dr. Shaheed reminded delegates that the Maldives has the world's strongest mitigation target, having pledged to become carbon neutral by 2020. The country has also stated that it is happy to accept any level of international transparency in monitoring, reporting and verifying this target, and to enter its commitment into a legally-binding climate treaty text.

"We want to see, not a race to the bottom where countries try to get away with pledging as little as possible,

09/12/2010

but a race to the top where both rich and poor nations move rapidly to exploit the opportunities for low-carbon growth," Dr. Shaheed said. "Only then can we see any possibility of the 350ppm/1.5C pathway, which is vital to the survival of the most vulnerable countries." He continued: "Intransigent positions which block the negotiations and undermine the prospects of a successful outcome are not in the interests of our survival or the planet's."

Notes (ctrl + click)

1. *Letter sent to UNFCCC on 19 December 2009*
2. *Letter sent to UNFCCC on 29 January 2010*
3. *Letter sent to Secretary of State Hillary Clinton on 30 December 2009*

ENDS.

Kind regards,

Patrick McMullan

09/12/2010

KAMARIS Philippe

From: Patrick McMullan [pmcmullan@maldivesmission.eu]
Sent: 08 December 2010 09:55
To: 'Patrick McMullan'
Subject: Maldives receives three year extension of preferential trade access to EU markets

For your kind attention:

Maldives receives three year extension of preferential trade access to EU markets

06th December 2010, Brussels; The European Commission today granted the Maldives a three year extension to the current trade benefits the country enjoys to European Union markets. This allows for tariff free access to EU countries for current exports predominantly from the fisheries sector.

The Maldives was due to have been taken off the list of the EU's "Everything but Arms" trade preference system upon the country's graduation from Least Developed Status on 1st January 2011. Following a combined lobbying effort from the Maldives Foreign Affairs and Trade Ministries, as well as the Maldives Mission to the European Union in Brussels, the government has received a three year transitional period to continue enjoying tariff free access to the EU market for Maldivian exports. This will conclude on 31st December 2013.

An option to then benefit from the so called "GSP+" system, providing similar benefits and access, once the three year EBA transitional period will conclude is also being explored by the government.

This decision acknowledges that while graduation to Developing Country status on the 1st of January 2011 represents a positive recognition of the huge socio-economic strides taken by the Maldives over recent decades, it also brings with it important challenges such as the loss of trade preferences and the reduction in the receipt of development aid. The decision also recognized the vulnerable position of the economy of the Maldives and the impact the loss of trade preferences, upon graduating, would have.

Commenting on the decision Foreign Minister H.E. Ahmed Shaheed said "The European Commission's decision to allow the Maldives to continue to benefit from tariff free access to the EU market for a further three years further highlights the positive relations between the European Union and the Maldives. In addition it acknowledges a number of issues raised by graduation and will allow us to continue dialogue with the EU with a view to installing a permanent benefits system for our exporting industries."

ENDS

Kind regards,

Patrick McMullan

08/12/2010

KAMARIS Philippe

From: Patrick McMullan [pmcmullan@maldivesmission.eu]
Sent: 24 November 2010 13:28
To: 'Patrick McMullan'
Subject: Carbon Neutrality 2020 - The Maldives sets an example to the world

For your kind information:

Carbon Neutrality 2020 - The Maldives sets an example to the world**Geneva – Male, November 24, 2010**

The Maldives, one of the world's most climate vulnerable nations, is taking radical action to become carbon neutral and set an example for other countries to follow. Today, the Maldives took a major step forward, with the publication of an audit of the country's carbon emissions. This is the first step of the world's most ambitious programme to become the first carbon-neutral country in 10 years' time. The Maldives 'Carbon Audit' includes detailed analysis of the country's greenhouse gas emissions for 2009, projected emissions for 2020 under a 'business as usual' scenario and key areas where the Maldives can slash its greenhouse gas emissions. Next year, the Maldives will publish a Carbon Neutral Master Plan, which will detail precisely how the country intends to reach carbon neutrality.

On March 15, 2010, the Government of the Maldives, La Compagnie Benjamin de Rothschild and BeCitizen signed in Geneva a strategic partnership to implement the commitment entered into by the Maldives in 2009 to become carbon-neutral by 2020. Under this agreement La Compagnie Benjamin de Rothschild (CBR), BeCitizen and the Benjamin de Rothschild family are financing the country's Carbon Audit carried out by BeCitizen. CBR and BeCitizen undertake, with the support of the Government of the Maldives, to look for the funding required to fulfil the Carbon Neutral Master Plan 2010-2020.

Eight months later, on November 24, 2010, President Nasheed, Mrs. Ariane de Rothschild and BeCitizen presented the Maldives' 2009 Carbon Audit. In his introduction, President Nasheed said: "Creating a carbon neutral economy helps combat climate change, enhances our energy security and safeguards our future development and prosperity. If the Maldives becomes carbon neutral, we believe other countries will want to do the same."

A new development model

To shift towards a carbon neutral economy, the Maldives will need to rely on four main thrusts: committed public programmes and tax incentives; technological solutions adapted to the geographic context of the country; awareness-raising and capacity-building work to win the support of the population and involve society at all levels; and innovative financing mechanisms. The Maldives will be able to rely in particular on public-private partnerships, use micro-finance mechanisms and benefit from the Clean Development Mechanism (CDM) provided for by the Kyoto Protocol to put in place the Positive Economy™.

"Our commitment alongside the Maldives did not come about by chance", explains Ariane de Rothschild, vice-president of the Edmond de Rothschild Group and president of BeCitizen. "Since its origin, our family has been involved in various environmental projects in the world by contributing its support or the financial expertise of our banking group. We are convinced that the model advocated by BeCitizen, which is capable of generating economic growth whilst restoring the ecological capital, is a winning concept. It relies on renewable energy forms and recovery of environmental assets. La Compagnie Benjamin de Rothschild will devote all its skills to achieving this ambition to help the Maldives fund this environmental development and set an example for the rest of the world, in order to avoid the worst."

The Audit highlights the need for a radical shift from business as usual", fossil fuel based economic development: *"Under a business as usual" scenario, by 2020, the Maldives would double its emissions and the country would be dangerously exposed to increases in the oil price*" explains Flora Bernard, associate director of BeCitizen.

In 2009, the equivalent of 1.3 million tons of CO₂ (tCO₂eq) was emitted by the Maldives. This figure corresponds to the combustion of diesel fuel oil for power generation (50%) in the 200 inhabited islands and 97 resorts, domestic transportation (22%), the emissions from the fishing industry (13%) and waste treatment (15%).

In relation to the number of inhabitants (310,000) in the Maldives, these emissions correspond to 4.1 tCO₂eq per individual. By way of comparison, India records 1.7 tCO₂eq/per person/per year, China 5.5 tCO₂eq, France 9 tCO₂eq and the United States 23.5 t CO₂eq.

In accordance with the rules of the Intergovernmental Panel on Climate Change (IPCC), emissions from international air transport are not taken into account but BeCitizen estimates that the flights of the 650,000 tourists who visit the Maldives each year represent an additional amount equivalent to 1.3 million tCO₂eq.

Immediate practical measures

The audit is very clear about the ability of the Maldives to achieve its ambition. *"Achieving carbon neutrality by 2020 is possible"*, affirms Flora Bernard. *"It will primarily involve the country becoming energy-independent, while ensuring that the solutions also bring other environmental benefits in terms of carbon storage, resource management and biodiversity conservation."*

To achieve this goal, BeCitizen recommends implementing actions in the following fields:

- **Energy efficiency:** reducing current consumption by means of appropriate equipment (solar air conditioners, thermal insulation, efficient domestic appliances);
- **Renewable energy forms:** solar, wind, biomass, marine energies;
- **Transport:** rethinking the means of land transport (development of electric public transport in Male, cycling) and sea transport (e.g. solar ferries);
- **Waste:** waste recovery (biogas, compost);
- **Carbon sequestration:** notably in the biomass (e.g. mangrove);
- **Offsetting:** purchase of carbon credits resulting from projects that have a genuine positive impact on both the climate and social development.

These measures will need to be wholly part of a positive urban development and resort programme. This programme should set ambitious objectives for positive buildings and resorts that produce more energy than they consume, which they can then sell to neighbouring islands that cannot be positive.

Several measures can already be applied today, particularly as regards energy efficiency, decentralized energy production and transport.

Becoming energy-independent

In 2009 the Maldives was the most fossil fuel-dependent country in Asia. To correct this energy, economic and social vulnerability, the country now realizes how essential it is to gradually attain energy independence. The significant savings achieved by the Maldives becoming less oil-dependent will allow resources to be transferred to the development of the environmental economy: a situation that will foster the emergence of a new growth model. The environment in the form of net renewable energy production, net carbon storage, recovery of local water and waste resources, biodiversity conservation and reduction of the impact on health will then become a source of sustainable growth. This form of growth will have a real social impact by improving living standards and creating new jobs.

Today the publication and the conclusions of this audit allow the government of the Maldives to move on to the next stage, which is the precise definition of the public policies and actions to be implemented as part of the Carbon Neutral Master Plan 2010-2020.

La Compagnie Benjamin de Rothschild, CBR is a leader in the field of environmental finance with strategic consultancy and structuration of green investment funds always integrating the principles of the Positive Economy™. Together with BeCitizen it advises one of the largest environmental equity funds and develops the Positive Economy™ Edmond de Rothschild Funds (PEERF), a range of infrastructure, private and listed equity funds on subject such as the remediation of polluted sites, the agro-forestry or growth capital in the cleantech area.

BeCitizen is a strategic and environmental finance advisory firm that creates new opportunities for growth that restore the environmental and the climate, an approach which BeCitizen calls the Positive Economy™. BeCitizen has 30 experts covering all innovative technologies, finance and new environmental markets. La Compagnie Benjamin de Rothschild is a majority shareholder in BeCitizen.

The Republic of Maldives made a commitment under the Copenhagen Accord in January 2010, to become carbon neutral by 2020. This pledge is the toughest mitigation target of any country under the Copenhagen Accord.

The press kit and the Carbon Audit are available on the following website link:

<http://cbr.groupeidr.ch/news/news/env/news-top-0.aspx>

A replay of the 24.11.10 audio webcasted press conference is available on the following website link:

<https://services.choruscall.eu/links/carbonneutralmaldives101124.html>

ENDS.

Kind regards,

Patrick McMullan