



ROADMAP TO THE BEST FUTURE

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Caribbean countries are experiencing improved economic performance post COVID but must pursue resilience for sustainable economies and societies.

Anchors for sparking growth, building resilience and driving transformation.



Access to Finance



Regional Cooperation and Integration



Regional Connectivity and Transportation Solutions



Food Sovereignty



Climate Action



Energy Security



Private Sector Engagement

Access to Finance

The Region's
Gross Financing
Needs (GFN) =
close to USD
10 billion



Access to Finance



CDB provided

USD300 mn

for BMCs from 2018-2022

GFN is expected to remain elevated for another six years heightening the need for mobilising financing flows.



Access to Finance

Actions necessary to meet the Region's financing needs & address fiscal pressures:

1. Broadening regional financial systems to create financial markets that will facilitate intra- & inter- Caribbean capital flows

2. Strengthening public financial management and expenditure ecosystems to ensure transparency and accountability in government spending

3. Prioritising macro-fiscal stability to access increased financial resources at more concessional terms

4. Supporting the rechanneling of at least 2% of AE excess Special Drawing Rights (SDRs) to enable transformation of Caribbean economies

Regional Cooperation and Integration

Regional cooperation and integration are a solution to our common growth and development challenges.



Regional Cooperation and Integration

Areas which received
CDB support in 2022:

▶ Transport

▶ Intra-Regional Trade

▶ Food Security

▶ Agriculture

▶ Private Sector Development

▶ Climate Action

▶ Renewable Energy

Additional Priority
Areas in 2023

▶ Digitalisation

▶ Innovation

CDB's Strategic Plan Update 2022-2024 identifies support for regional public goods as a major priority.



Regional Cooperation and Integration

CALL TO ACTION



RE-IMAGINE

what regional cooperation and integration can mean for Caribbean Citizens



ADVANCE

the implementation of the Caribbean Single Market and Economy (CSME)



REALISE

CSME's untapped potential for workers, businesses, and institutions

Regional Connectivity and Transportation Solutions

Connectivity is the lifeblood of modern economies and societies, and transportation is a critical valve.



Regional Connectivity and Transportation Solutions



- Between 2008-2018 intra-regional transport declined by **50%**
- The tourism dependent Eastern Caribbean economies are facing an airlift capacity crisis
- Flight service is well below pre-pandemic levels with infrequent flights, unreliable services and prohibitive cost
- Post COVID economic recovery is under threat

Regional Connectivity and Transportation Solutions

Regional cooperation and integration are a solution to our common growth and development challenges.

Decisive actions needed to reform air transportation include:

- Rationalising the regulatory environment and
- Addressing high travel cost
- Promoting cooperation amongst regional airlines
- Gaining critical mass of collective will at the policy level



Food Sovereignty

80% of the
food consumed
in the
Caribbean is
imported



Food Sovereignty

Food sovereignty must be a key collective objective for the Region

Major challenges facing the Region's agriculture sector include:

- low productivity
- inconsistent output
- high vulnerability to natural hazards and impacts of climate change

The consequences include:

- Low competitiveness
- Limited ability to respond to market demands
- Heavy dependence on imports for food and nutrition needs

Food Sovereignty - Recommendations



Upgrade air and maritime transport for improved intra-regional trade and integration into global markets



Implementing internationally recognised food safety standards to strengthen market linkages



Increased investment in climate smart agriculture & insurance to reduce climate change and natural hazard risks

Climate Action

The Caribbean
is among the
most vulnerable
Regions to
Climate Change

Our climate
risks are likely
to intensify in
the future



Climate Action

The 2022 United Nations Convention on Climate Change (COP27)



No firm commitments from major carbon emitters to accelerate their decarbonisation efforts



Significant new pledges for the Adaptation Fund



Progress on establishing USD100 billion annual climate finance goal



Slow progress with Glasgow Climate Pact goal to double adaptation finance by 2025



Progress on new dedicated loss and damage fund for developing countries



Climate Action

The Region can better neutralise common climate threats by acting collectively rather than individually in:

- Urging developed countries to rapidly meet the USD100 billion per year climate finance

- Pressing for a new post-2025 climate finance goal to address constraints

- Ensuring that climate change vulnerability is considered for delivery of international financial assistance and debt relief to developing economies

Energy Security

80% of electricity for Borrowing Member Countries (BMCs) comes from imported fossil fuels

On average BMCs pay three times more than the US for electricity





Energy Security

CDB devised the “ASERT-2030” framework to expedite region’s sustainable energy transition.

To accelerate the Region’s energy shift CDB is working with BMCs to:

- Support the establishment of Legal and Regulatory Frameworks, policies, and programmes that support renewable energy and energy efficiency
- Explore fiscal regimes and other measures that will expand the engagement of the local and regional private sector
- Focus research and development initiatives on renewable energy technologies more suited to the Caribbean environment

Private Sector Engagement

The Region's
Private Sector
must transition
from
bystanders to
partners in
development





Private Sector Engagement

Transform traditional Public-Private Partnerships (PPPs) to Partnerships for Prosperity and Profits

Create environment and invest in innovation such that public value propositions can offer viable investment opportunities

Transition from private sector led growth to private sector led development

Conclusion



The best way to predict the future is to create it.

CDB stands ready to accelerate collaboration with its BMCs to propel the Region to a better future.



THANK YOU