



43RD ANNUAL MEETING OF THE BOARD OF GOVERNORS

OPENING REMARKS BY VICE-PRESIDENT (OPERATIONS), DR. CARLA BARNETT

AT SEMINAR ON FINANCING LOW CARBON CLIMATE RESILIENT DEVELOPMENT IN THE CARIBBEAN –
ADDRESSING THE CHALLENGES AND CREATING NEW OPPORTUNITIES

WEDNESDAY, MAY 22, 2013

4:00 – 6:00 p.m.

SANDALS GRANDE RESORT AND SPA, ST. LUCIA

1. The vulnerability of the Caribbean to the adverse impacts of climate change and the region's high dependence on imported fossil fuels are beyond dispute. The Caribbean is one of the most vulnerable regions of the world to climate change, with recent studies estimating that the annual economic losses associated with climate change could be in the range of 5-30 percent of GDP by 2030. Therefore, pursuing climate resilient, low-carbon development is an urgent regional priority.
2. At the highest political level in the Caribbean there is consensus on the way forward. Leaders have agreed on a Regional Climate Change Strategy and an Implementation Plan which recognizes that building climate resilient low carbon economies in the Caribbean will require transformational change by national governments, regional organisations, civil society and the private sector supported by an unprecedented level of financial resources and technical assistance. The scale of the required investments, the absence of fiscal space and the heavy sovereign debt overhang in the region requires an approach which seeks to mobilize grant and concessionary financing, while engaging other regional actors including the private sector.
3. Consistent with its mandate and the role assigned to it in the Regional Strategy and Implementation Plan, the Caribbean Development Bank has, and will continue to be bold and

proactive in its response to this pressing regional priority. You may recall that just last year the Board of Directors approved the Bank's Climate Resilience Strategy 2012-2017 which has as its dual objectives supporting capacity building in relevant national and regional institutions and leading the regional resource mobilization effort. In this regard, we are working with the European Investment Bank to advance the US\$65 million Climate Action Line of Credit and we have identified some initial projects for the CALC pipeline.

4. In addition, we have also provided support to the CCCCC to assist BMCs in developing high quality priority climate adaptation investment projects likely to attract funding from available funding sources. I am sure that Dr. Ken Leslie will speak to this during our question and answer session given that the response from BMCs to this initiative has been disappointing. On the energy side, the Bank has designed a regional energy efficiency revolving fund for SMEs.
5. The Bank has recognized the need to build capacity in the BMCs to plan for, access, deliver and monitor and report on climate finance. We are partnering with the CCCCC and GIZ on designing and implementing a Climate Finance Readiness Programme for the Caribbean. We hope to launch this initiative in July this year with a regional workshop targeting Ministries of Finance and Planning and other regional stakeholders. We hope to gather some ideas for that programme from this afternoon's session.
6. We have a diverse set of panelists who will offer differing perspectives on our theme. Our first presenter is Mr. Derek Gibbs who will focus on the operationalization of the Green Climate Fund and opportunities for the Caribbean.