



Opening Remarks

Dr. W<sup>m</sup>. Warren Smith

President

Caribbean Development Bank

**LAUNCH EVENT FOR CDB'S REGIONAL PPP SUPPORT FACILITY**

Wednesday, May 20, 2015

4:30 p.m. - 5:15p.m

St. Kitts Marriott Resort

St. Kitts and Nevis

It gives me great pleasure to be here this afternoon at the launch of this important new initiative - CDB's Regional PPP Support Facility.

We are also pleased that the Inter-American Development Bank (IDB) and the World Bank, two of our partners in this undertaking, are present to share in this historic occasion with us.

I recall that the process for reaching where we are today began less than two years ago. In November 2013, CDB, along with IDB and the Multilateral Investment Fund (MIF), co-sponsored a Forum in Barbados entitled: "Caribbean PPP Forum: Public-Private Partnerships for Sustainable Growth". The Forum brought together governments and multilateral institutions, including the IDB, the Multilateral Investment Fund, World Bank and the Public-Private Infrastructure Advisory Facility to share their experiences and knowledge of PPPs being used to develop sustainable, productive and inclusive infrastructure and basic services in the Caribbean.

It was in this Forum that key country stakeholders made a plea for the development of a mechanism, located in the Caribbean, to -

- (a) provide regional support to PPP;
- (b) develop technical capacity in the Region;
- (c) establish the necessary institutional architecture; and
- (d) support the development and implementation of PPP projects.

We subsequently commissioned a major research project entitled '*Public-Private Partnerships in the Caribbean: Building on Early Lessons*' that was published one year ago and launched at CDB's Annual Meeting in Guyana in an effort to gain better understanding of the PPP modality. This study also called for the creation of a sustainable regional mechanism for the delivery of advisory and financial services to our Member Governments.

Our new Regional PPP Support Facility responds, therefore, to the recommendations coming out of the Forum and endorsed by our own study. The Facility consists of a small technical team that will work closely with the Governments of our BMCs to develop and implement sound policies and transactions.

Our expectation is that the Support Facility will lead to the creation of mechanisms that encourage private involvement in the financing of infrastructure investments. It is estimated that the Region needs as much as USD 20 billion to meet its infrastructure requirements over the next five years. We expect that, eventually, the governments and the private sector will develop an effective partnership in a manner that is sustainable, over time, and that provides value for money to governments, investors, consumers and all others concerned.

Given these possibilities, we are pleased that the World Bank, IDB, the Multilateral Investment Fund and the Public Private Infrastructure Advisory Facility responded favourably to our invitation to collaborate on an initiative to facilitate the development of PPPs across our BMCs. Our partners have been playing a major role in helping to sharpen awareness and enrich knowledge of PPP operations through their valuable technical and financial support.

Ladies and gentlemen, in closing, let me say that our region's development agenda is a challenging one. As we have done with the PPP Support Facility, CDB and its development partners must continue to work collectively so that we can all better respond to the region's development challenges and needs.

I thank you.