



Opening Statement

by

Dr. W^m. Warren Smith

President

Caribbean Development Bank

at the

Thirty Second Annual Meeting of the Contributors to

The Special Development Fund

St. Kitts and Nevis

May 19, 2015

Thank you Mr. Chairman.

Chairman

Contributors to the Special Development Fund

Members of the CDB management team and members of staff

Annual meetings of the Special Development Fund (SDF) at the mid-term bear special significance. Let me start by saying that this is a very important meeting of Contributors. Not only do we consider the annual report on the performance of the fund over the last year but we also discuss an independent review of the status of the SDF 8 cycle at the mid-term. The review is a precursor to the commencement of negotiations for SDF 9 as feedback on the report will inform the replenishment discussions, which commence in early 2016.

The Special Development Fund continues to play a central role in CDB's efforts to reduce poverty in our BMCs. This is especially pertinent given the ongoing impact of the global crisis and the reversal in progress towards the reduction of poverty that was experienced by the Region. In March of this year, the Bank approved a project aimed at conducting country poverty assessments for 10 of our BMCs which will

result in more updated poverty information and support better targeted programming to address the pockets of poverty that exist in many BMCs.

The SDF has allowed the Bank to provide assistance to its BMCs in many important areas which are crucial to their development, such as upgrading infrastructure, building human capital through enhancing education systems and strengthening governance structures. SDF funded initiatives such as the Basic Needs Trust Fund and loans for social investment funds have provided added social protection to some of the most vulnerable groups in our societies. In recent times the Fund has also promoted energy efficiency and the use of renewable energy as part of its focus on environmental sustainability and building resilience from natural hazards.

Haiti continues to face daunting challenges as it continues its reconstruction and rebuilding efforts after being impacted by both devastating natural disasters and economic shocks. Through the SDF, CDB has been able to support Haiti to strengthen its education systems and to provide social infrastructure in both urban and rural communities. The Bank has also gained valuable experience in working with development partners in Haiti and is now able to undertake programming in that country on its own.

Our commitment regarding managing for development results and enhancing our effectiveness remains strong. We published our fourth development effectiveness review in 2014 which shows progress in a number of important areas while there are other areas that require focused attention. We will continue to use this review to guide our decision making and to plan our work programme. Contributors would have also received the update of the MOPAN assessment as at the end of 2014. This review also points to improvement in several key areas compared with the assessment in 2012. We will intensify our efforts to implement the MfDR Action Plan to address the deficiencies which were identified.

Chairman, I would like to address the issue of internal capacity and staffing, which has attracted some amount of attention over the past three years. We have been able to fill a number of critical vacancies especially in the operations area, including at the senior management level, and our vacancy rate now stands at the target level of 5%. This strengthened capacity will certainly have a very positive impact on SDF operations going forward.

Finally, as discussions continue to shape the post 2015 agenda, the resources of the Fund will have a pivotal role to play in supporting the BMCs' efforts in attaining the new sustainable development goals and targets which are being set.

Thank you very much.