



AS PREPARED FOR DELIVERY

## Closing Remarks

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President

Caribbean Development Bank

48th Annual Meeting of the Board of Governors  
Closing Ceremony

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St. George's, Grenada

Governors

Directors

Observers

Guests

Ladies and Gentlemen all

A critically important task for me during our annual meeting proceedings, is to deliver my closing remarks. After much preparation time and a relentless pace of meetings and interfacing during the past five days while here, it may be a rational expectation that one would display signs of mental fatigue and physical stress. But Mr. Chairman, I am heartened to tell you that this does not conform to my reality or that of my staff. Indeed, the mood and fervent enthusiasm I have seen displayed by Governors and Directors alike over the past couple of days may be as a result of the spiciness and warmth of this blessed country and its gifted people.

Mr. Chairman, as we engage Governors annually, we are as anxious to hear your thoughts and perspectives on Caribbean growth and development, as we are on sharing our own. This year, the clarity of your views on the key challenges facing our Region and on some of the important opportunities that can be realized, are worthy of note. In a real sense, these annual meetings provide both energy and inspiration to what we do in an effort to enhance the likelihoods of Caribbean people.

Mr. Chairman, there was a fair degree of commonality in the messages that permeated from Governors that I would like to touch on. For me, these go to the heart of policy responses by countries as well as on the strategic actions required by this institution to safeguard our collective futures.

## **Key themes**

### **Building resilience that is multidimensional**

Mr. Chairman, almost all commentators adverted to the scale of the disasters that visited our shores in 2017 disrupting lives and livelihoods. Mainstreaming resilience needs to become a way of business for the Caribbean. All that we do must embody the principles of DRM and CC adaptation/mitigation. The Region's infrastructure projects, macro-economic plans, sector plans, policies and strategies must exemplify these principles. The Bank has sought to do just this in its interventions, by conducting environmental impact and climate vulnerability analyses and embracing the principle of building back better. We must however, also ensure that we are inclusive and that the needs of our vulnerable groups - females, the elderly, and youth are adequately taken into consideration. The issue of building social resilience and providing for the psycho-social

needs of affected persons is key if we are to fully build resilience and transform our economies. Professor Pelling alluded to this issue in his address on Tuesday, citing psycho-social support as one of the 6 needs articulated by survivors of natural hazards. I am pleased to say that in March of this year, the Bank approved resources that will address the psycho social needs of persons in the aftermath of a devastating event like the ones that occurred in 2017.

Mr. Chairman, a few Governors touched on the issue of economic output concentration which has long exposed Caribbean countries to the vagaries of natural hazards and global economic shocks. To diversify our economies, we must seek out opportunities to sustainably utilize all the resources (raw materials) at our disposal. We must not think of ourselves only as Small Island Developing States, but as Big Ocean Developing States. The sea holds tremendous potential for diversity and greater still, if we can adopt a regional approach to the utilization of these resources. Grenada has been at the vanguard of this effort and provides an excellent example of Big Ocean thinking, and we hope to advance this knowledge in the region through CDB's own work on the blue economy.

### **Key role of partnerships**

Governors also alluded to the fact that smart partnerships must be leveraged in the furtherance of the Bank's work and development objectives of its BMCs. We wholeheartedly agree with the viewpoint. Indeed, partnerships and collaboration with other development stakeholders has been a staple of CDB assistance. In 2017, we collaborated with the World Bank to provide assistance to Haiti, and with IFAD to support climate smart agriculture here in Grenada. We also partnered with the UK to provide support to the Overseas Territories and have forged relationships with other agencies and countries that are channeling resources through the CDB in order to build BMC resilience. Such agencies include EIB and AFD, and countries such as Mexico and the UK with their infrastructure funds.

Chair, as you may be aware the CDB has been accredited by both the Adaptation Fund and Green Climate Fund. This accreditation represents a real and present opportunity for the Region to benefit from grant resources but we acknowledge that capacity will need to be built to allow our countries to generate a meaningful pipeline of projects. The Bank has started this process with the approval in 2017, of funds to sensitise persons in the requisite agencies of the requirements to access these funds. This work will be deepened going forward.

### **Institutional strength and value proposition**

Chairman, many Governors complimented the Bank for the key role that it played in a number of areas that hold strong potential in changing the development trajectory of small

states in the Caribbean. Our work in pushing the RE/EE agenda to boost competitiveness and promote sustainable livelihoods; our role in strengthening governance systems through appropriate regulatory reforms including procurement; and the generation of knowledge products that explore and explain structural regional issues including the regional aviation issue or the potential of the blue economy; constitute the core fabric of our franchise value of this institution and its usefulness.

But Mr. Chairman, we do not intend to rest on our laurels and past or even current achievements. The presence of poverty in our Region; the differential development outcomes for male verses females; and the difference in economic opportunities for the differently able suggest that there is a substantial volume of development work to be pursued. Armed with purpose and vigor, we tend to be relentless in our pursuit for improved livelihoods for ordinary Caribbean people. Indeed, in 2018 the Bank approved an intervention to support for the conduct of disability assessments in some of its BMCs consistent with the SDF theme of 'leaving no one behind'.

But even as we stress the critical areas of the Bank's work, one of the areas that became apparent during our deliberations is the need for adequate levels of concessional resources to support development programmes. Chairman, the level of the SDF9 replenishment, particularly in the wake of the immense disasters, seems like it may fall short of its ambitions. While these are still early days yet given that a mid-term review will not be done until next year, we urge Governors to exercise their minds on possible top ups that can close the structural gap in the programme.

### **Capital Growth and Membership**

Mr. Chairman, during these annual meetings, the Management deepened its engagement with Governors and Directors on the issue of the nexus between capital and risk and the possibility of a widened membership in CDB as an appropriate strategic response.

Mr. Chairman, one of the important roles of us as a proactive and responsible Management is to scan the horizon for potential threats that could harm us as an institution as well as our borrowing constituents, and to advance responses for your consideration. We have sought to do this in an honest and frank way. The changes to the regulatory environment which may further penalize our countries and ourselves simply because of our geographical location are real threats that simply cannot be ignored! We therefore urge countries to move with alacrity to create the necessary buffers and employ available risk transfer vehicles to boost resilience and limit exposure to harm.

Beyond that Mr. Chairman, the expansion of membership as a strategic consideration in diversifying our lending portfolio and, in so doing, safe guarding the franchise value of CDB to current BMCs cannot be discounted. We are enamored by the magnitude of the support we got from many Governors in moving this process forward. We are giving you the assurances Governors that the detailed work that you have asked forward, to

accompany the appropriate resolutions will be transmitted to you in the shortest possible time. Again, we thank you for your understanding and support.

## **Closing**

Mr. Chairman, I want to close as I began, and that is with reference to Grenada. As you reminded us during your introductory remarks, the devastation caused by Hurricane Ivan in 2004, exposed the tyranny of a Cat 5 event and the fragility of our countries. But Chair, permit me to say that in the years that followed, and in the rebuilding process, Grenada has demonstrated what is possible if we twin lessons of experience with forward thinking and progressive policies. Grenada now stands as a beacon in the Caribbean with model legislation in areas that embeds fiscal resilience. The country is pursuing climate smart agricultural practices and conducting climate vulnerability assessments on hard infrastructure. These are notable achievements that must be celebrated.

So as we close Chair, I want to thank you for your gracious hospitality. I want to also extend the gratitude to your entire team for making this annual meeting a resounding success. As we leave this place, I assure you that we take with us the embodiment of your spiciness and the durability of Grenada's resolve.

Governors and Directors,

I thank you.