

Good morning.

Following Ian's presentation on the economic context, I will now highlight key initiatives undertaken to mitigate the pandemic's impact and move the Region along a path to recovery, prosperity and the achievement of objectives embodied in the Sustainable Development Goals.

In 2021 we approved USD71.2 million in loans and USD51.4 million in grants to our BMCs, and disbursed 185m and 71.6m in Loans and Grants respectively.

The second year of the Covid-19 pandemic saw our response underpinned by flexibility and dexterity.

Wherever possible we worked with our BMCs to redesign operations to meet short-term needs and forged partnerships to leverage additional resources to fund national responses.

These partnerships included collaboration with CARICOM, the UWI, the Inter-American Development Bank (IADB), PAHO, the EU, and UKCIF, to name a few.

Key response and mitigation initiatives included:

- A USD 50 million collaboration with IDB for health, education, social protection, MSME support and recovery initiatives in the OECS. Projects have been approved in Antigua and Barbuda, Dominica, Grenada and St. Vincent and the Grenadines.
- Partnership with the European Investment Bank to provide EUR 30mn to BMCs for health-related emergency expenditure, including the purchase of vaccines, and efforts to limit the spread of the virus.
- Partnering with the Caribbean Export Development Agency, we awarded grants totalling USD887,000 to 61 enterprises affected by COVID 19.
- Together with the Caricom Secretariat and the OECS Commission we prepared the "Regional Learning Recovery and Enhancement Programme or Let's REAP. This provides a roadmap for principals, outlining the optimal approach to address the learning loss occasioned by COVID-19 and longer-standing challenges.

Covid of course was not the only issue requiring response and mitigation in 2021 and certainly for St. Vincent and the Grenadines the eruption of the Soufriere volcano intensified an already dire situation. Through our Emergency Assistance fund, CDB provided USD300,000 and a further USD5 million as an Immediate Response Loan to support the country's recovery.

Notwithstanding the immediate and short-term needs of BMCs during this crisis, we recognise that we must deliver long-term solutions to reducing systemic and multi-faceted risks posed by the vulnerabilities that characterise our region. In 2021 we continued to advance that agenda, standing on the premise of good governance and gender equality.

Private Sector

Our work in the private sector space focused on addressing competitiveness constraints such as poor business facilitation and access to financing.

Specifically:

- A USD 10.3mn LOC was provided to Dominica AID Bank to offer MSMEs working capital and production-oriented finance.
- We approved 12 grants valued at over USD 3mn aimed at enhancing the trading environment in our BMCs, including assistance to improve quality infrastructure in Barbados, The Bahamas, Dominica, and St. Kitts and Nevis;
- In partnership with IDB USD 204,000 was provided to the Caribbean Climate Change Innovation Centre to help entrepreneurs develop cleantech ideas through innovative products and services that address climate change challenges.

Our strategic interventions in the education sector continued:

In St. Vincent and the Grenadines, under the TVET Development Project, the Science and Technology Block at the Dr. JP Eustace Memorial Secondary School was completed, resulting in a full suite of programmes including ICT and Chemistry being available to 500 students including 210 girls.

With the construction of the Automotive Workshop at the Campden Park Technical Institute, 40 male and female students will be able to pursue CVQ Level 1 and 2 automotive programmes from the next academic year.

In St. Kitts and Nevis, 30 Science and TVET workshops were upgraded and we provided equipment for six of the eight secondary schools in the country.

With this diversification of CVQ programmes, schools can better cater to the interests of those in upper secondary school whose high drop-out rates at the beginning of the project, have now drastically declined to 6% and 4% for boys and girls respectively.

We completed two citizen security interventions in Belize in 2021. These were the Youth and Community Transformation (YCT) and Youth Resilience and Inclusive Social Empowerment (RISE) projects executed in Belize Southside and Dangriga, Santa Elena and San Ignacio, respectively. The projects employed an integrated, gender-responsive social crime prevention approach to address some of the critical challenges facing children, youth and families in communities most affected by ongoing gang violence and other anti-social behaviours that negatively impact socio-economic development. The project directly reached 14,500 at-risk youth including participants from out-of-school suspension programmes, of whom 6,700 were females.

In 2021 we continued our thrust to build out climate resilient infrastructure to support sustainable development in our BMCs.

In Saint Lucia we installed and upgraded water supply lines and made available a safe water supply to approximately 2,000 households with the Dennery North Water Supply Redevelopment Project.

In Barbados, the USD40 million Grantley Adams International Airport Pavement Rehabilitation and Expansion Project was completed. We upgraded and expanded 300,000 square metres of pavements: including the runway, taxiways, car park, landside roads, and the aircraft parking aprons. Energy consumption has been reduced by 12MWh per month with the installation of energy-efficient lighting on the airfield and parking aprons, and with the development of a Sustainability Management Plan, the institutional capacity of GAIA has been enhanced.

In 2021, we held the largest single training event in renewable energy when approximately 300 persons were trained in photovoltaic installation and electrical inspection. The trained inspectors will improve the governance of the sector while the training in PV installation will create new entrepreneurs and MSMEs in the sector.

Haiti

A special mention must be made of Haiti as we disbursed almost USD20mn in support of ongoing projects in 2021. Major results included:

- The Quality Enhancement in Public Education Project – where 90,000 health kits were provided to students and;
- The TVET 2 and Community-Based Agriculture Project in Northern Haiti where 550 small scale farmers benefitted from improved irrigation and drainage infrastructure on approximately 225 hectares of land.

2022

Looking ahead for 2022, we recommit to further empowering our citizens through gender mainstreamed interventions targeting education, agriculture, finance, youth - reimagining solutions to meet local circumstances.

In education critical gender-responsive teaching skills required to support student learning in a distributed environment will be promoted. We will train approximately 600 educators in Effective Pedagogy for Distributed Teaching and Learning.

We will expand our engagement with the private sector, with the development of innovative and responsive financing solutions such as trade finance and supply chain finance instruments, and partial credit guarantees. We will develop strategic partnerships with other financial institutions and regional private sector players to attract and leverage resources in delivering transformational developmental outcomes to our BMCs.

In keeping with our commitment to ensure the alignment of our operations with the goals of the Paris Agreement, we will continue to scale up our climate finance portfolio and pursue game-changing investments to enhance the effectiveness of our climate action. Consequently, CDB expects to mobilise up to USD150 million in concessional climate finance through the Green Climate Fund (GCF). We are working with BMCs to develop

additional projects for GCF co-financing, to improve the sustainability of future climate finance flows to the Caribbean. Implementation of the EU-funded Caribbean Action for Resilience Enhancement (CARE) Programme will commence by March 2022 and will provide grants to support climate resilience.

A revamped energy sector policy and strategy will promote the energy sector as an emerging area of substantial opportunities in light of the large-scale shifts required for achieving carbon neutrality. These opportunities lay the basis for economic diversification, resilience and growth linked to the production of new, green commodities

Capitalising on the reintroduction of our Gender Focal Point in 2021, CDB will launch another round of Country Gender Assessments and continue to support prevalence studies on gender-based violence in the Caribbean. Through the continued roll-out of our gender equality training programme to close existing knowledge gaps and gender-related evidence and data, we will deepen the integration of gender equality considerations within our BMCs and internally.

Ladies and gentlemen, we continue to develop and deliver collaborative and innovative projects, ever cognizant of the financial and implementation challenges in our BMCs. Our efforts are underpinned by social, environmental, production, financial and institutional considerations. Through all our interventions, we remain committed to providing resilient infrastructure, stimulating and supporting a dynamic private sector, creating an environment for healthy productive citizens while exercising flexibility in our service delivery. We continue, to engage our clients to formulate customized and future-ready projects focused on enhancing education, social protection, digitalization, economic diversification and private sector development. We recognise the deep-rooted interconnections of our work and that of sustained regional growth. The Bank, therefore, will unwaveringly continue its work collaboratively with BMCs to add value and propel Caribbean development. And now ladies and gentlemen allow me to hand the baton over to the President who will give an overview of the Strategic Priorities for Growth and Development.