PRESIDENT’S
ANNUAL NEWS CONFERENCE
STATEMENT

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Caribbean Development Bank
Conference Centre
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Global economic conditions have improved

Trend expected to continue into 2018

Projected expansion in global output in 2018 shaped by:

• recent tax reforms in the United States
• rising commodity prices
• strengthening of the pound sterling
Regional economic performance

2017

On average, GDP grew by 0.6%

2018

GDP projected to grow by around 2%
The Region is in the strongest position since the start of the 2008 global recession.
Regional economic performance

Our economic growth continues to lag behind that of our comparators.
### Regional economic performance

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<tbody>
<tr>
<td><strong>World</strong></td>
<td>-0.1</td>
<td>5.4</td>
<td>4.3</td>
<td>3.5</td>
<td>3.6</td>
<td>3.6</td>
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<td><strong>CDB Borrowing Member Countries</strong></td>
<td>-3.3</td>
<td>0.5</td>
<td>1.5</td>
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<td>1.6</td>
<td>0.6</td>
<td>0.3</td>
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<td>0.6</td>
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<td><strong>Other Small States</strong></td>
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<td>7.3</td>
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<td>5.3</td>
<td>6.5</td>
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2017 Atlantic Hurricane Season
Our Region’s vulnerability

We live in a geographic zone ranked as the second highest in terms of climate vulnerability.
Our Region’s vulnerability: 2017 damage assessments

DOMINICA
• Damage estimated at 225% of GDP
• Significant loss of life

ANTIGUA & BARBUDA
• Damage estimated at 10% of GDP
• 95% of buildings in Barbuda destroyed

BRITISH VIRGIN ISLANDS
• Damage estimated at more than 300% of GDP
CDB’s operations in 2017
Disaster risk management and resilience building

Disaster Management Strategy and Operational Guidelines (2009)

Mainstreaming disaster risk management

Financing climate-resilient infrastructure projects
Approvals (USD, million)
Disbursements (USD, million)
Responding to the natural disasters of 2017
CDB’s commitment

CDB is making available USD700-800 million over five years to help BMCs rebuild after the 2017 Atlantic Hurricane Season.
Grant to CCRIF SPC

USD14 million from the Government of Mexico to provide enhanced insurance coverage to BMCs, which insure with the facility.
Renewable energy and energy efficiency investments

Funding for grid modernisation and energy storage

Geothermal energy exploratory test-drilling project

Street lighting projects to replace existing lamps with high-efficiency LED lights
Infrastructure development: 2017 projects at a glance

- Road rehabilitation
- Water supply improvement
- Strengthening and modernisation of economic and social infrastructure
The financial cost of responding to natural disasters has been increasing as the frequency and intensity of these events continue to rise.
Partnerships
Second Climate Action Line of Credit

USD144 million from the European Investment Bank

Includes USD24 million for emergency post-disaster rehabilitation
European Union Caribbean Investment Facility

USD14 million grant from the European Union for geothermal energy development

Up to five countries:
1. Dominica
2. Grenada
3. St. Kitts and Nevis
4. Saint Lucia
5. St. Vincent and the Grenadines
USD70 million in grants to boost regional infrastructure
United Kingdom Caribbean Infrastructure Partnership Fund

Expansion of UKCIF

Includes an additional £28 million to assist in the recovery efforts in Antigua and Barbuda

A reconstruction window to administer these funds is being developed
Project spotlight: Essex Valley Agriculture Development Project

- Boosting agriculture production through improved irrigation systems
- Enhanced production and marketing facilities
- Design and construction of a photovoltaic plant to power irrigation systems
- Completion of a climate vulnerability assessment study
Cultural and Creative Industries Innovation Fund

- Will support the development of the creative industries in the Region
- Initial contribution of USD2.6 million
Ratings upgrade for CDB

CDB now has a unified rating across the three major rating agencies:

- Standard and Poor’s - AA+
- Fitch Ratings - AA+
- Moody’s Investors Service - Aa1
Ratings upgrade for CDB

- Sustained improvements in internal governance systems
- Continuous oversight and management of critical financial indicators
Conclusion

Region must get back on track as quickly as possible so that we can meet our commitments to the 2030 Sustainable Development Agenda
Conclusion

We see immense opportunity for the BMCs to come back stronger and more resilient.
THANK YOU