



INNOVATION,
TRANSFORMATION
& SUSTAINABLE
DEVELOPMENT

STATEMENT BY THE TEMPORARY ALTERNATE GOVERNOR FOR CANADA

MS. CHERYL URBAN, DIRECTOR GENERAL ECONOMIC DEVELOPMENT, GLOBAL AFFAIRS CANADA |

There is no doubt that it has been a year wrought with challenges for countries and communities across the globe. For the Caribbean, the COVID-19 pandemic converged with, and in many ways compounded, economic and climate crises already in motion - further testing the resolve of this community of small nations.

As a founding member and key shareholder of the Caribbean Development Bank (CDB), Canada was pleased to see the Bank rise to the challenge in helping its Borrowing Member Countries (BMCs) address the direct impacts and immediate fallout of the pandemic. At the Board of Directors level, we were supportive of the Bank's initiatives to provide much needed resources to front line workers across the region, as well as debt relief and responses to the socio-economic impacts of the pandemic on specific BMCs. Much of this was in the form of concessional financing from the CDB's Special Development Fund (SDF). In February 2021, at the first ever Canada-CARICOM Foreign Minister's Meeting, Canada was proud to announce Can\$81.41 million for the 10th replenishment of the SDF (2021-2024), increasing our contribution by 15.74% in nominal terms from the previous SDF cycle and retaining our status as top contributor.

While there is reason to hope that we are beyond the worst of the pandemic, the road to recovery has just begun and it will require strong leadership and vision. The arrival of the new President of the CDB is timely in this regard. On behalf of Canada, I would like to welcome Dr. Leon into this leadership role, and look forward to seeing his fresh take on institutional transformation and innovative approaches to regional recovery.

In many ways, the COVID-19 crisis has created an appetite for new approaches to development that can ensure it is sustainable, inclusive, and resilient. The CDB's strategic priorities in support of innovation, transformation, and digitalization position the Bank as an effective development partner in helping its BMCs tackle the most pressing challenges of our time.

The anchoring theme of this year's Annual Meeting "*Innovation, Transformation, and Sustainable Development*" also reflects the evolution that is required to meet the challenges of a post-pandemic world, with a focus on spurring a more innovative engagement of the public and private sectors in tackling the development challenges of the region. I salute the CDB for setting such a forward-looking agenda. The rich set of virtual events surrounding this Annual Meeting serve as a testament to the Bank's role in promoting critical thinking and dialogue around the important issues of facing the Caribbean, building on its long tradition of excellence in this regard.

Canada has been active in advancing new, bold, and innovative approaches for post-pandemic prosperity and sustainability. Our Prime Minister has co-led high-level discussions with the Prime Minister of Jamaica and the UN Secretary-General on *Financing for Development in the Era COVID-19 and Beyond* to mobilize new resources for development and resilience. Canada is committed to supporting Caribbean Small Island Developing States (SIDS) in response to their top line concerns: equitable and timely access to vaccines, access to concessional financing, support for a vulnerability index and for building climate resilience; concerns that reflect their unique vulnerabilities. We have urged our international partners to explore all available options for additional relief and resources to address the needs of struggling small island economies.

This year's early start to the Atlantic hurricane season and the volcanic eruption in St. Vincent and the Grenadines serve as stark reminders of the Caribbean's vulnerabilities. Canada continues to stand with Caribbean countries in the face of these vulnerabilities. On June 13th 2021, our Prime Minister announced a doubling of Canada's climate finance, from Can\$2.65 billion in 2015 to Can\$5.3 billion over five years, including increased support for adaptation and nature-based solutions. At the CDB, we welcomed the Bank's commitment of 25-30% of its resources to climate action, and joined other SDF contributors in expanding access to concessional funds for disaster management and energy resilience to all BMCs as of 2021.

We further encourage the Bank to fully align its operations to the goals of the Paris Agreement, and to redouble its efforts in supporting the region's transition to low carbon and climate resilient economies. We also urge the CDB to tackle biodiversity loss, including protecting the diverse ocean resources that underpin health, well-being and economic growth in the Caribbean region.

Canada continues to see its partnership with the Bank as an integral part of our overall engagement in the region. While it has been a difficult year, the management and staff of the CDB have been exceptional in their spirit of perseverance to maintain the operations and the financial health of the Bank. We are also encouraged by the Bank's pursuit of measures to modernize operations and transform itself into a more effective institution responsive to the needs of its clients. That said, we believe the CDB should strive to be even more nimble and optimize its use of capital for the benefit of BMCs. This includes working with other multilateral development banks as a system to help the region Build Back Better.

The efforts of the Bank and its partners must also continue to focus on the poorest and most vulnerable, including women and girls, who have been disproportionately affected by the pandemic. Canada commends the Bank's ongoing efforts to mainstream gender equality across its

operations, including for instance by tackling the unequal distribution of unpaid and paid care, in recognition that investments in gender equality and the empowerment of women and girls act as a multiplier force on efforts to achieve all other development goals.

In the Caribbean, as in other parts of the world, the pandemic will require a reset. Under the chairmanship of Barbados, this virtual 51st Annual Meeting of the CDB is a good place to advance the discussion on a transformative agenda for the region and to position the Bank and its BMCs in delivering on this agenda. We hope that the Bank, its members and other regional stakeholders seize on this opportunity to open new possibilities for maximum development impact.

Cheryl Urban
Temporary Alternate Governor for Canada