From Vulnerability to Resilience: You Choose

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Regional Development Challenges

Macroeconomic

Low economic growth

High debt, low savings and declining reserves

Poor sovereign debt ratings

Loss of CBRs and high cost of AML/CFT compliance

Productivity & Competitiveness

Low rankings in the World Bank's Ease of Doing Business index

Large infrastructure gaps

Weak governance

Inefficient and costly transport links

High energy and electricity costs

Human Development

High poverty and unemployment

Very high youth unemployment and poor education outcomes

High crime and citizen insecurity

Limited social data available for designing and measuring effective strategies
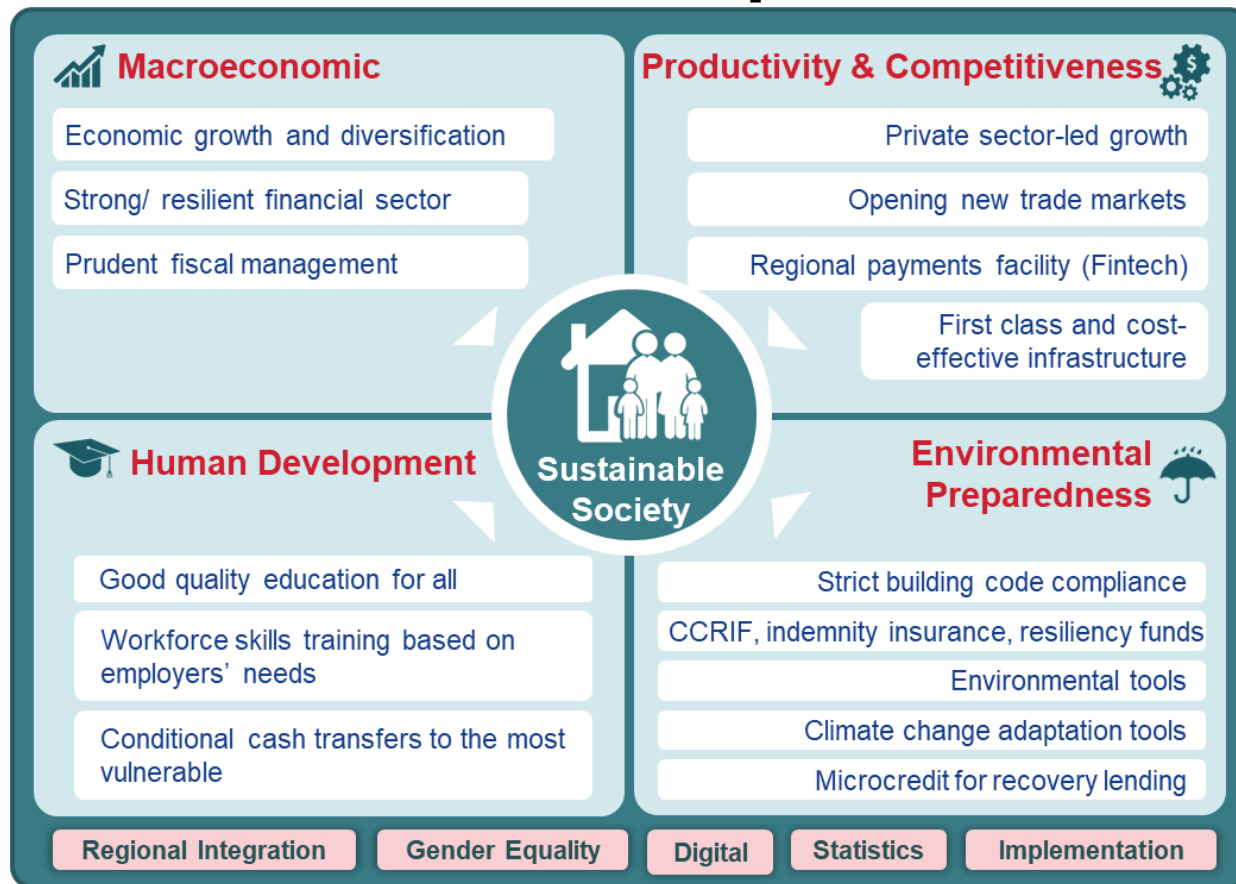
Environmental

High annual natural disaster costs

Low insurance payouts

Insufficient building codes

Poor climate change adaptation tools

Implementation Gap

Regional Approach Gap

Caribbean Blueprint

WHY IS THIS STUDY IMPORTANT?

It supports evidence-based policy formulation.

Resurgence of interest in the quantification of vulnerability indices.

It has a role in the allocation of financial resources.

Aligns with BMCs' priorities to assess their vulnerabilities.

It can be used to develop innovative financing mechanisms.

Updates the CDBs' vulnerability index.

OBJECTIVE

To quantify BMCs' relative vulnerability to external shocks.

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Multi-Dimensional Vulnerability Index

Previous

Economic Vulnerability Index
- Guided by **Briguglio** (1992, 1997, 2014)
- Pioneered by **Tom Crowards** (2000)
- **Hartman** (2011)

Recent

Multidimensional Vulnerability Index
Revised and updated (2019)

Economic	Social	Environmental

Basic Criteria

Simple	Comprehensive	Comparable

Economic, Social, and Environmental Vulnerability

Export Concentration (16.67%) and Destination (16.67%)
Measures a country's reliance on a few major exports and on a few key export trading partners

Dependence on Strategic Imports (16.67%)
Measures a country's dependence on critical imported goods (food and energy) to meet domestic consumption and production

Dependence on Foreign Capital (16.67%)
Measures a country's reliance on external sources of capital to achieve its development objectives

Economic
(Weight – 66.68%)

Social Susceptibility (16.67%)
Measures the social vulnerability of a country through unemployment, poverty, and crime
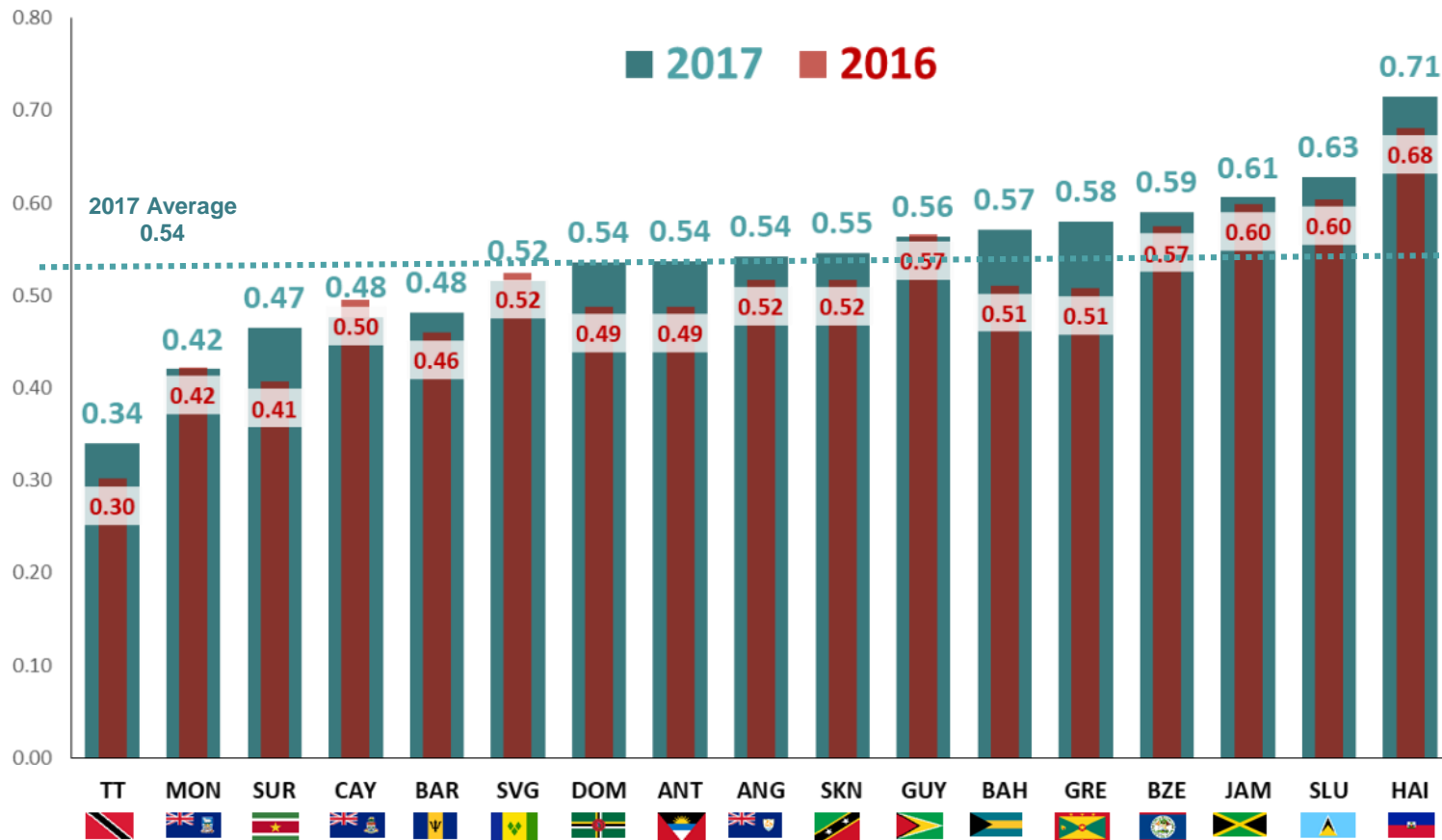
Social
(Weight – 16.67%)

Natural Hazards & Climate Change (16.67%)
Measures a country's susceptibility to natural hazards and climate change

Environmental
(Weight –16.67%)

Multidimensional Vulnerability Index: 2016 vs. 2017

Economic, Social and Environmental Vulnerability

	2016					2017			
	Overall	Economic	Social	Environ		Overall	Economic	Social	Environ
Anguilla	0.52	0.55	0.42	■		0.54	0.58	0.39	0.55
Antigua and Barbuda	0.50	0.52	0.50	0.41		0.54	0.55	0.60	0.42
Bahamas	0.52	0.57	0.51	0.32		0.57	0.65	0.52	0.30
Barbados	0.47	0.58	0.43	0.11		0.48	0.58	0.45	0.10
Belize	0.59	0.63	0.71	0.32		0.60	0.65	0.71	0.30
Cayman Islands	0.49	0.61	0.05	0.45		0.48	0.60	0.07	0.40
Dominica	0.48	0.45	0.54	0.56		0.54	0.48	0.62	0.66
Grenada	0.52	0.51	0.69	0.41		0.58	0.60	0.69	0.39
Guyana	0.58	0.56	0.64	0.59		0.56	0.55	0.61	0.56
Haiti	0.69	0.73	0.64	0.60		0.71	0.77	0.64	0.59
Jamaica	0.60	0.67	0.70	0.22		0.61	0.69	0.68	0.20
Montserrat	0.43	0.42	0.62	0.26		0.42	0.41	0.62	0.24
Saint Kitts and Nevis	0.52	0.49	0.61	■		0.55	0.53	0.61	0.42
Saint Lucia	0.63	0.63	0.79	0.46		0.63	0.69	0.68	0.34
Saint Vincent and the Grenadines	0.54	0.53	0.73	0.41		0.52	0.50	0.78	0.33
Suriname	0.43	0.39	0.60	0.39		0.47	0.47	0.56	0.35
Trinidad and Tobago	0.31	0.34	0.46	0.00		0.34	0.38	0.51	0.00
Average	**0.52**	**0.54**	**0.57**	**0.32**		**0.54**	**0.57**	**0.57**	**0.36**

Low 0-0.33

Medium- Low 0.34-0.49

Medium-High 0.50-0.69

High 0.70-1.00

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Multidimensional Vulnerability- Proxy Indicators

	Overall VI	Export Concentration		Export Destination		Strategic Imports		External Finance		Social Susceptibility			Climate and Natural Hazards			
		E3	O	D3	T3	F	E	F(F)	F(R)	C	U	P	ND	NA	CE	CP
ANG	0.54	0.61	0.94	0.63	0.72	0.29	0.63	0.31	0.51	0.54	0.40	0.21	0.22	0.88		
ANT	0.54	0.92	0.93	0.00	0.83	0.41	0.71	0.19	0.43	0.57	0.67	0.54	0.04	0.58	0.19	0.85
BAH	0.57	0.76	0.72	0.93	0.99	0.48	0.76	0.24	0.33	0.72	0.52	0.33	0.16	0.37	0.22	0.45
BAR	0.48	0.50	0.92	0.50	0.75	0.60	0.72	0.22	0.47	0.33	0.47	0.55	0.03	0.13	0.03	0.19
BZE	0.59	0.65	1.00	0.77	0.78	0.59	0.63	0.20	0.59	0.81	0.46	0.84	0.08	0.28	0.46	0.10
CAY	0.48	0.37	0.92	1.00	0.97	0.00	0.52	1.00	0.00	0.00	0.20	0.00	0.08			
DOM	0.54	0.21	0.88	0.77	0.00	0.68	0.54	0.19	0.61	0.48	0.68	0.70	0.39	0.72	0.23	1.00
GRE	0.58	0.70	0.85	0.56	0.61	0.64	0.67	0.23	0.53	0.26	1.00	0.81	0.25	1.00	0.20	0.42
GUY	0.56	0.64	0.79	0.59	0.27	0.46	0.77	0.22	0.67	0.43	0.60	0.79	0.10	0.71	1.00	0.35
HAI	0.71	0.84	0.68	0.99	0.92	1.00	0.49	0.20	1.00	0.23	0.69	1.00	1.00	0.81	0.18	0.25
JAM	0.61	0.62	0.73	0.78	1.00	0.51	0.77	0.22	0.86	0.99	0.59	0.46	0.07	0.92	0.14	0.03
MON	0.42	0.00	0.78	0.10	0.34	0.52	0.76	0.25	0.57	0.82	0.26	0.79		0.24		
SKN	0.55	0.35	0.86	0.65	0.72	0.71	0.28	0.28	0.38	1.00	0.22	0.63				
SLU	0.63	1.00	0.87	0.90	0.60	0.43	1.00	0.22	0.47	0.45	0.89	0.70	0.16	0.95	0.09	0.17
SVG	0.52	0.56	0.77	0.25	0.25	0.65	0.64	0.26	0.60	0.78	0.84	0.72	0.15	0.67	0.09	0.40
SUR	0.47	0.67	0.95	0.64	0.71	0.57	0.00	0.00	0.23	0.32	0.46	0.90	0.04	0.29	0.77	0.29
TT	0.34	0.59	0.82	0.53	0.38	0.32	0.00	0.12	0.32	0.79	0.19	0.54	0.00	0.00	0.00	0.00
AVERAGE	**0.54**	**0.59**	**0.85**	**0.62**	**0.64**	**0.52**	**0.58**	**0.26**	**0.50**	**0.56**	**0.54**	**0.62**	**0.18**	**0.57**	**0.28**	**0.35**

Main Takeaways

1	2	3

BMCs: middle to high vulnerability countries.

The vulnerability of BMCs are concentrated in the areas: of dependence on strategic imports, export concentration and exposure to natural hazards.

MVI supports evidence-based policy formulation.

There is the potential for the MVI to be used by BMCs to assist in determining or justifying development priorities.

Potential role in CDB Financial resource allocation framework.

Consideration is being given to how the MVI can be used to improve the allocation of financial resources.