

**CARIBBEAN DEVELOPMENT BANK**



**SPECIAL DEVELOPMENT FUND (UNIFIED)**

**SUPPORTING THE ACHIEVEMENT OF THE SUSTAINABLE  
DEVELOPMENT GOALS IN BORROWING MEMBER COUNTRIES –  
THE ROLE OF THE SPECIAL DEVELOPMENT FUND**

**FEBRUARY 2016**

## CURRENCY EQUIVALENT

Dollars (\$) throughout refer to United States Dollars (USD) unless otherwise specified

## ABBREVIATIONS

BMCs	-	Borrowing Member Countries
bn	-	billion
BNTF	-	Basis Needs Trust Fund
CARICOM	-	Caribbean Community
CDB	-	Caribbean Development Bank
CMDGs	-	Caribbean-specific MDGs
DRM	-	Disaster Risk Management
DRR	-	Disaster Risk Reduction
ECD	-	Early Childhood Development
ECLAC	-	Economic Commission for Latin America and the Caribbean
EE	-	Energy Efficiency
FFD	-	Financing for Development
GDP	-	Gross Domestic Product
GE	-	Gender Equality
GNI	-	Gross National Income
LDCs	-	Least Developed Countries
MDGs	-	Millennium Development Goals
ODA	-	Official Development Assistance
OECS	-	Organisation of Eastern Caribbean States
p.a.	-	per annum
PPPs	-	Private/Public Partnerships
RE	-	Renewable Energy
SDF	-	Special Development Fund
SDGs	-	Sustainable Development Goals
SE	-	Sustainable Energy
SIDS	-	Small Island Developing States
TA	-	Technical Assistance
UN	-	United Nations
WTO	-	World Trade Organisation

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**SUPPORTING THE ACHIEVEMENT OF THE SUSTAINABLE  
DEVELOPMENT GOALS IN BORROWING MEMBER COUNTRIES –  
THE ROLE OF THE SPECIAL DEVELOPMENT FUND**

**1. BACKGROUND**

1.01 The Special Development Fund (SDF) represents a significantly important enabler in the Caribbean Development Bank's (CDB) efforts to reduce poverty and contribute to sustained welfare enhancement in the Caribbean. Indeed, successive replenishments of the SDF since its inception in 1970, have allowed CDB to make a meaningful contribution to the transformation of lives of ordinary men, women, boys and girls particularly those in rural settings who are likely to be more at risk.

1.02 The ninth replenishment of SDF, comes at a time of continued struggle for many Borrowing Member Countries (BMCs). Poverty levels remain unacceptably high, and have been severely impacted by the onset of a lengthy global recession. Further, the ravages of natural disasters, particularly adverse weather events, have inflicted substantial losses and damages, and represent a significant burden on development. Moreover, these economies remain relatively undiversified with debt levels in most countries at still relatively uncomfortable levels.

1.03 Approaches to development policy and planning in response to Caribbean development challenges need to be well-balanced in the three dimensions of sustainable development, viz, social, economic and environmental factors. Moreover, policy development must be evidence-based and key institutions strengthened. Within the context of the Millennium Development Goals (MDGs), the Caribbean-specific and 'nationalised' MDG frameworks provided a useful roadmap for the Region's development, and facilitated much-needed processes of policy dialogue and agenda setting following the 2000 United Nations (UN) Millennium Summit. BMCs have taken a more focused approach to development planning and to addressing their development needs. This notwithstanding, substantial unfinished business remains to be advanced and concluded.

1.04 At the meeting of the Board of Governors in May 2015, Management presented a discussion paper entitled '*Caribbean Development Agenda Post-2015 and the Role of the CDB*'. At that time, the Bank shared broad views on its potential role in supporting countries to pursue a development path that was consistent with the objectives embodied in the UN Agenda 2030 for Sustainable Development.

1.05 The objective of this paper, which contains six sections, is to deepen the dialogue and present a more in-depth assessment of how the SDF and the Bank can assist BMCs to alleviate the burden of poverty and achieve sustainable and inclusive development within the framework of the Sustainable Development Goals (SDGs). Section 2 provides an overview of the New Global Agenda – the SDGs. Section 3 highlights the broad successes and shortcomings of the MDGs as a backdrop for the need to deepen the development work in key areas critically important to the growth and development of Caribbean small island developing states (SIDS). In Section 4, we highlight the Bank's role in supporting the Caribbean in addressing the MDGs within the context of the SDF. The alignment of the Bank's Strategic Plan 2015-19 with Agenda 2030 is discussed in Section 5 and the final section puts forward a prescribed role of SDF 9 in supporting the achievement of relevant SDGs in BMCs.

## 2. THE NEW GLOBAL AGENDA – SDGs

2.01 In September 2015, the global community signed off on an ambitious development agenda. ‘Transforming our World: the 2030 Agenda for Sustainable Development’ is the UN resolution which embodies the SDGs and represent a new generation of global development targets following from the MDGs.

2.02 The SDGs are framed on the recognition that “eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development”<sup>1</sup>. Seventeen SDGs and 169 targets have been ratified as representing the key development priorities that could improve sustainable livelihoods (See Box 1 above and Appendix 1 for a further elaboration of the SDGs, including targets). Further, the core set of universally agreed goals and targets will be accompanied by country and region-specific indicators currently being developed to facilitate performance measurement of the SDGs<sup>2</sup>.

2.03 There are also critically important issues around the financing architecture to support the implementation of the SDGs as well as special development considerations that are required for SIDS<sup>3</sup>. A new global framework for financing sustainable development which culminated at the Third International Conference on Financing for Development<sup>4</sup> (FFD) in mid-July 2015, as well as the Third International Conference on SIDS, held in Samoa in September 2014, provided important guidance in relation to possible financing mechanisms and key development priorities for SIDS. In seeking to close infrastructure gaps, promote the decent work agenda, promote inclusive and sustainable industrialisation and scale-up efforts to end hunger and malnutrition, FFD argues for urgent action areas to implement the new sustainable development agenda. These include boosting efforts to strengthen domestic public resources through appropriate fiscal reforms and strengthening transparency and governance arrangements against the backdrop of expected declines in official development assistance (ODA); boosting domestic and international business and finance through improved regulatory frameworks to better align

### Box 1

Goal 1	End poverty in all its forms everywhere
Goal 2	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
Goal 3	Ensure healthy lives and promote well-being for all at all ages
Goal 4	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all women and girls
Goal 5	Achieve gender equality and empower all women and girls
Goal 6	Ensure availability and sustainable management of water and sanitation for all
Goal 7	Ensure access to affordable, reliable, sustainable, and modern energy for all
Goal 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Goal 9	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
Goal 10	Reduce inequality within and among countries
Goal 11	Make cities and human settlements inclusive, safe, resilient and sustainable
Goal 12	Ensure sustainable consumption and production patterns
Goal 13	Take urgent action to combat climate change and its impact <sup>144</sup> (Acknowledging that the UNFCCC is the primary international, intergovernmental forum for negotiation the global response to climate change)
Goal 14	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
Goal 15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
Goal 16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
Goal 17	Strengthen the means of implementation and revitalise the global partnership for sustainable development

<sup>1</sup> Outcome Document: Resolution adopted by the General Assembly A/RES/70/1

<sup>2</sup> The identification of appropriate indicators as well as the capacity to adequately measure and monitor them represented a significant challenge for Caribbean SIDS within the context of the MDGs. CDB, along with the Caribbean Community, the UN and other development partners supported the development of localised MDGs for several countries of the Organisation of Eastern Caribbean States (OECS) sub-region. However, measurement and reporting across the board have been inadequate to accurately track progress.

<sup>3</sup> SIDS are low-lying coastal countries that tend to share similar sustainable development challenges, limited resources, remoteness, susceptibility to natural disasters, vulnerability to external shocks, excessive dependence on international trade, and fragile environments.

<sup>4</sup> The objectives of the conference were threefold: to follow-up on commitments and assess the progress made in the implementation of the Monterrey Consensus and the Doha Declaration; to further strengthen the framework to finance sustainable development and the means of implementation for the universal post-2015 development agenda; and to reinvigorate and strengthen the financing for development.

private sector incentives; as well as supporting improved international development cooperation. In spite of significant progress in mobilising financial and technical resources for development and increases in financial flows in early years following the Monterrey Consensus, the agenda has not yet been fully implemented, new challenges have arisen, and large unmet needs remain for the achievement of sustainable development.

2.04 The SIDS Accelerated Modalities of Action (SAMOA Pathway) outlines critical sustainable development priorities for SIDS that are mutually reinforcing and consistent with the SDGs (See Appendix 2). These include the need to support efforts that build resilience to climate change impacts and improve disaster risk reduction (DRR); promote sustainable energy (SE); increase access to safe water as well as enhance food security. Advancing gender equality (GE) and strengthening governance are also critically important goals.

2.05 The Conference of Parties<sup>5</sup> 21<sup>st</sup> meeting in Paris (COP 21) and the outcomes in relation to the Caribbean climate change agenda are also important considerations which inform the Region's sustainable development priorities. These surround the inclusion in the Paris Agreement of a long-term temperature goal "to hold the increase in global average temperature to below 1.5 degrees Celsius above pre-industrial levels"; particular reference and acknowledgement of the special circumstances and vulnerabilities of SIDS; as well as separate treatment of Loss and Damage (apart from Adaptation) reflected in the final text.

### **3. THE MDG - BROAD SUCCESSES AND SHORTCOMINGS**

3.01 The Caribbean-specific and localised MDG frameworks provided a useful roadmap for the Region's development and facilitated much-needed processes of policy dialogue and the crafting of a broad development agenda. In particular, they focused global attention to key development challenges, poverty reduction, sustainable development and the need for global partnerships. While there have been achievements in some specific areas of Caribbean development, these gains have been uneven. A clear take away from early assessments is that countries demonstrated significant gaps in implementation capacity as well as limited monitoring and reporting capability and were unable to consistently collect, analyse and monitor the 48 indicators related to the eight global MDG targets, and were less able to report on the 71 indicators of the Caribbean-specific MDGs (CMDGs). Further, as Caribbean SIDS, countries also called for clearer articulation of the means of implementation and global accountability frameworks as represented by MDG 8: the promotion of global partnerships for development.

3.02 Progress has been made by the Caribbean as a region towards the achievement of some targets under Goal 2 (Achieve universal primary education), Goal 4 (Reduce child mortality), and Goal 6 (Combat HIV/AIDS, malaria and other diseases) and, to a lesser extent, Goal 7 (Ensure environmental sustainability). With respect to Goal 3 (Promote GE and empower women), while some countries have attained gender parity at the primary education level, other structural issues emerge, such as education quality, attainment and relevance, and the capacity of youth and women to convert educational achievement into decent work remain challenging. On the challenges posed by weak reporting platforms, an Economic Commission for Latin American and the Caribbean (ECLAC) publication on the 'Review and Assessment of the Caribbean Experience with the Implementation of the Millennium Development Goals'<sup>6</sup>, notes that "... *Although the Caribbean [had seen] gains in environmental sustainability, there were still major challenges in energy,*

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<sup>5</sup> The international political response to climate change began at the Rio Earth Summit in 1992, where the 'Rio Convention' included the adoption of the UN Framework on Climate Change. This convention set out a framework for action aimed at stabilising atmospheric concentrations of greenhouse gases. The main objective of the annual COP is to review the Convention's implementation. The first COP took place in Berlin in 1995 and significant meetings since then have included COP3 where the Kyoto Protocol was adopted, COP11 where the Montreal Action Plan was produced, COP15 in Copenhagen where an agreement to success Kyoto Protocol was unfortunately not realised and COP17 in Durban where the Green Climate Fund was created. <http://www.cop21paris.org>.

<sup>6</sup> Review and Assessment of the Caribbean Experience With the Implementation of the MDGs, ECLAC 2015

*water stress and scarcity, climate change impacts, and waste disposal and management. Furthermore, Caribbean countries had high debt to Gross Domestic Product (GDP) ratios and did not record adequate successes in developing partnerships for development. [It was] recommended that the sub-region work to strengthen the appropriate enabling environment (legal, governance, policy, fiscal, and regulatory) by enhancing strategic partnerships”.*

3.03 With respect to Goal 5 (Improve maternal health), early gains in maternal mortality are being reversed. Lessons on what contributed to the achievements point to regional and global partnerships for development – including efforts to increase access to anti-retroviral drugs for HIV/AIDS – and specific, budgeted, evidence-based action at the national level in response to emerging issues such as child hunger.

3.04 The onset of the global crisis thwarted much of the hope of achieving a broader set of MDGs in the Caribbean. While economic indicators began to show recovery from around 2013, social indicators are known to recover more slowly than economic growth, and to take longer to return to pre-crisis levels. Further, the Region’s employment problems, particularly youth unemployment, are worsening. Against the backdrop of ongoing fiscal austerity and expected declines in ODA, funding extensive social programs may be at risk with concomitant challenges for the poor and vulnerable<sup>7</sup>.

#### **4. CDB’s SUPPORT FOR THE MDGs WITHIN THE CONTEXT OF SDF**

4.01 In the SDF 5<sup>8</sup> Agreement in 2001, Contributors endorsed the MDGs as an integral part of the policy framework for SDF, and recommended that the Goals, including a CMDG framework, be used as strategic benchmarks against which SDF operations were planned and achievements assessed. In the SDF 6<sup>9</sup> Agreement in 2005, Contributors recognised that the process of operationalising the MDGs had taken time, but they commended the Bank for the initiative it had taken in assisting Caribbean governments to articulate and define a Caribbean MDG framework, with appropriate targets and indicators for measuring progress and results. Contributors also reaffirmed the importance of such a framework in setting the objectives and a results-based monitoring framework for SDF operations, and underlined their expectation that this framework would assist in the development of results-based country strategies, selection and design of programmes and projects, and monitoring of, and reporting on, SDF operations.

4.02 In their assessment of progress to date and the framework for SDF operations during SDF 7, Contributors again endorsed the Caribbean MDG framework as a principal means of targeting objectives, selecting and designing programmes and projects, and monitoring results. They commended the further work that had been undertaken by the Bank in assisting Caribbean countries to further refine targets and indicators, and endorsed the MDGs and the Caribbean-specific targets and indicators as a framework for monitoring of results during SDF 7.

4.03 Contributors underlined the critical importance of devoting increased effort and resources to assisting BMCs to reach their goals and targets in the countdown to 2015. They recognised that SDF 7 would be the last full replenishment that would be able to assist BMCs in reaching the MDG targets, and recommended an increased effort by the Bank and its partners to this end, an effort that Contributors were prepared to support with increased SDF resources. They recognised, however, that there would be a need to focus the work of SDF, select priorities, and target specific results, consistent with the Bank’s comparative advantage and with available resources and capacity. Contributors and the Bank agreed on a framework for establishing such priorities and setting targets for expected results.

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<sup>7</sup> Adapted from ‘Achieving the MDGs with Equality in Latin America and the Caribbean: Progress and Challenges’, UN 2010

<sup>8</sup> SDF V covered the period 2001-2004

<sup>9</sup> SDF 6 covered the period 2005-2008

4.04 Poverty reduction and achieving the MDGs was, therefore, one of the central themes for SDF 7. At that time, the Bank proposed that this theme focused specifically on the poverty reduction and human development MDGs, indicated in Goals 1, 2 and 3 of the Caribbean-specific framework which related to eradicating poverty and hunger; achieving a basic minimum education; and promoting GE.

4.05 In setting out a basis for the selection of these three goals, the Bank noted that the development experience in the Caribbean prior to that period (i.e. 2008) highlighted several characteristics. With regard to the eradication of poverty and hunger, overall poverty levels in BMCs were relatively high, with significant pockets also existing in countries with relatively high per capita incomes. A large proportion of the poor lived in rural communities but urban poverty was taking on greater significance in several countries. Other features of poverty in BMCs included, low educational attainment, larger than average family size and high unemployment particularly among the youth. The phenomenon of the “Working Poor” and indigenous people were also over-represented among the poor in many countries, along with persons with disability and older persons especially men living alone.

4.06 It was also observed that universal primary education had been achieved in all BMCs except Haiti but that several issues related to equitable quality were still evident. While several BMCs had implemented universal secondary education policies, there were still issues related to equitable quality across the system, particularly at the primary level. Further, the difficulty of poor households in some countries to meet the non-fee expenses also affected access to secondary education for children from those households.

4.07 With respect to gender, the Bank noted that some progress had been made in relation to the promotion of GE and the empowerment of women. However, in the education sector, the situation where male participation in secondary and tertiary education was quite low drew attention to other factors that may be contributing to the disengagement of men. Other issues including disparity of employment opportunities and earnings between men and women were also highlighted.

4.08 During the SDF 8 replenishment negotiations, Contributors and the Bank agreed that the MDGs would continue to provide an overall framework for targeting SDF operations and designing appropriate programmes and projects during SDF 8 in the countdown to 2015. Based on the CMDG targets, as noted earlier, while some were achieved there were substantial challenges with respect to others, and, in particular, significantly higher growth rates will be required if the MDG targets for reducing the proportion of the population below the poverty and indigence lines were to be met.

4.09 The CDB monitoring framework which captures progress towards selected CMDG targets in areas in which SDF is making a contribution remained a key performance tool.<sup>10</sup> It was observed that the indicators for income poverty show that between 2006 as a base year and 2011, the average proportion of the population below the poverty line in BMCs has worsened slightly, although there was a small reduction, on average, in the proportion below the indigence line. Growth in most BMCs has been negatively impacted by external economic shocks and natural hazard events. Non-income and human development indicators show that primary and secondary school enrolment for both boys and girls has continued to improve, as has access to an improved water source and to improved sanitation, and the targets in these areas are likely to be met for most BMCs, although much work remains to be done in Haiti.

4.10 With regard to environment sustainability and climate change, natural disaster events and climate change have a significant impact on the costs of social and economic infrastructure development. It is therefore imperative to monitor the results of efforts by BMCs and other development partners to build

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<sup>10</sup> The Bank reports on those MDG indicators that are related to SDF and CDB operations, i.e. Goals 1, 2, 3, 7, and 8, and covered in Levels 1 and 4 of the Results Monitoring Framework.



resilience to natural hazards through actions such as increase re-forestation. Protected land as a percentage of total land area increased from a base year of 2008, as has the percentage of land area covered by forest.

## **5. CDB's STRATEGIC PLAN 2015-19 AND ALIGNMENT WITH AGENDA 2030**

5.01 As pointed out during the Governors' Round Table discussion on 'Agenda Post-2015 and the Role of the CDB' at the 2015 Annual Meeting, some SDGs may be more relevant than others in the Caribbean SIDS context. These include SDGs that cluster around the following areas: promoting growth, diversification and jobs (Goal 8); infrastructure development (Goal 9); SE (Goal 7); education and skills development (Goal 4); GE (Goal 5); poverty, inequality and social inclusion (Goal 1); promoting sustainable agriculture (Goal 2); climate change and environmental sustainability (Goals 11 and 13); effective, transparent institutions and safe, peaceful societies (Goal 16); and strengthening the means of implementation through domestic resource mobilisation and the revitalisation of global partnerships (Goal 17).

5.02 CDB's Mission Statement highlights the overall goal of poverty reduction in the Region through the inclusive and sustainable development of BMCs. All of the Bank's member countries have embraced the broad global vision for integrated sustainable development. CDB's Strategic Plan 2015-19 is also framed within this global vision. Further, the Plan is premised on key priorities for bringing about a paradigm shift and overcoming the obstacles to sustained prosperity based on the Rio principles *viz.*: Leave No One Behind; Put Sustainable Development at the Core; Transform Economies for Jobs and Inclusive Growth'; Build Peace and Effective, Open and Accountable Public Institutions; and Forge a New Global Partnership. The Strategic Plan 2015-19 is anchored on three strategic objectives of supporting inclusive and sustainable growth; promoting good governance; and enhancing organisational efficiency and effectiveness, in part through partnerships and regional cooperation and integration. GE and energy security represent cross-cutting themes. These strategic objectives and themes closely align with a set of priorities applicable to the Caribbean. These can be grouped under the six broad headings of: (i) jobs-led inclusive growth; (ii) climate change and environmental sustainability; (iii) competitiveness and the nexus to SE; (iv) human development; (v) governance; and (vi) financing for development.

### **Jobs-Led Inclusive Growth**

5.03 The Caribbean is gradually emerging from a period of deep recession triggered in part by the Great Recession. Growth rates though are still relatively benign with few countries exceeding 2%-3% per annum (p.a.). In 2014, only Belize (3.4%), Guyana (3.8%), St. Kitts and Nevis (4.2%), Suriname 3.3% and the Turks and Caicos Islands (4.0%) buck this trend. However, poverty rates continue to be relatively high across the board with the proportion of the population below the poverty line estimated at 44% at end 2014 and the proportion living below the indigence line at 22.4%. Available data suggest that unemployment, particularly among the youth is alarmingly high; in fact, among the highest in the World, averaging over 25% compared with the World average of 10%. Crime levels are also escalating to critical levels, and rural communities and vulnerable groups may be at a distinct disadvantage, with limited opportunities and negligible economic participation.

5.04 A comprehensive response to these development challenges requires development strategies that promote economic diversification, and social and economic policies that are inclusive and gender responsive. In particular, special attention will need to be given to at-risk youths and other vulnerable groups, and to closing gaps in economic participation for women and men. As reflected in the 2015-19 Strategic Plan, CDB's support for achieving inclusive and sustainable growth and development in BMCs will be realised through investments in economic and social infrastructure, education and training, agriculture and rural development, private sector development, water and sanitation, environmental management, climate resilience, energy efficiency (EE) and renewable energy (RE) initiatives and DRR.

## **Climate and Environmental Sustainability**

5.05 The SDG framework outlines a much more comprehensive and integrated approach to environmental protection than the MDGs did, and recognises that eco-systems and the preservation of bio-diversity are important to environmental sustainability and to overall sustainable development.

5.06 Environmental sustainability is particularly significant for small island developing and coastal states like those in the Caribbean, which are extremely vulnerable to climate change. The Caribbean is one of the most disaster-prone regions in the world. Between 1990 and 2014, 328 natural disasters were recorded in the Caribbean. The probability of the Region being hit by a natural disaster is as high as 10% - 24% p.a. Six member states of the OECS rank in the top ten most disaster-prone countries in the world [Rasmussen (2006)] and the remainder rank among the top 50 hot spots in the world.

5.07 As a result of their vulnerability to frequent natural hazard events, Caribbean countries have been incurring particularly high economic costs to replace damaged or destroyed infrastructure. Over a 25-year period, disasters claimed more than 240,000 lives and inflicted more than \$39 billion (bn) in damage. Losses from natural hazards have risen from an estimated 0.9% of GDP per year in the 1980s and 1990s to 1.3% of GDP in the 2000s and are projected to reach 5% and 10% of GDP by 2025 and 2050, respectively.

5.08 Vulnerability of BMCs is also evident in the physical environment. This is manifested, for example, in environmental degradation arising from tourism, agriculture and manufacturing and other investment activities because of an apparent disconnect between environmental management concerns and investment objectives.

5.09 The poor and other vulnerable groups are most susceptible to the adverse effects of natural disasters and climate-induced events. Environmental degradation and unsustainable use of natural resources also result in the loss of resources available to the poor at community and national levels, and represent threats to their livelihoods. Ending poverty will require, therefore, that women and men participate in building gender-sensitive methods of resilience to climate change, natural disasters and associated events.

## **SE**

5.10 Energy is an issue which has received broad support for inclusion as an SDG. CDB has also placed heavy emphasis on addressing energy issues in the recently approved Strategic Plan 2015-2019 as well as the Energy Sector Policy and Strategy. This emphasis is consistent with the Bank's mandate of supporting inclusive, sustainable economic growth and poverty reduction in BMCs and the Bank's own recognition of the critical role of the energy sector as a vehicle for achieving business competitiveness, economic competitiveness, and growth. One of CDB's goals is to transform the energy sector to significantly increase energy security and economic growth by assisting BMCs with the timely provision of adequate, affordable, reliable, and clean energy services to all.

5.11 Caribbean countries are heavily dependent on imported fossil fuels, importing about 95% of its energy needs. Since the first oil shock of the early 1970s, the Region has been extremely vulnerable to volatile oil prices, which has contributed in large part to the competitiveness challenges of Caribbean industries. Ironically, Caribbean countries also possess sizeable endowments of hydro, geo-thermal, wind and solar energy.

5.12 The combination of high diesel and heavy fuel oil costs and the inherent inefficiency of diesel technology, which accounts for the majority of the generation in BMCs, are the principal contributors to high electricity prices. Small market size and the absence of economies of scale in the generation of electricity have contributed to the cost of electricity throughout the Region being among the highest in the

world. In addition, most generation facilities in the Caribbean are approaching the end of their useful life (many being more than 20 years old) and are therefore not as efficient as newer technology.

5.13 Renewed international commitment to climate resilience and low carbon energy options has led to a soaring trend towards the adoption and use of clean energy, RE and EE technologies, as well as a shift towards distributed models of power generation.

5.14 All BMCs have vast RE resources, but harness less than 1% of the existing potential. By safely harnessing these RE resources, BMCs can achieve a cleaner more diversified, and affordable energy matrix. Further, if the Region were to exploit its vast resources of hydro, wind, and solar energy, it is estimated that energy costs could be reduced by as much as 30% - 50%, laying the basis for new and competitive economic activities across the Region. Diversification of the Region's energy mix will also help to conserve the environment, strengthen productivity and competitiveness, and improve the lives of the poor. Access to affordable, reliable energy and energy efficient technologies also supports women and men's enterprise development.

5.15 The dilemma facing these countries is that unless special measures of assistance are put in place, reducing the use of fossil fuels and increasing RE can be more expensive in the short to medium term, and put already vulnerable economies at a further competitive disadvantage.

### **Human Development**

5.16 In terms of human development – education and skills development, health, and equality and access to resources – the Caribbean's status as reported by Human Development Index masks challenges. Slow recovery from the economic crisis has seen increases in income poverty and inequality, rising unemployment - particularly of young people, and relatively higher unemployment among women.

5.17 Despite high levels of investment in education, the Caribbean Examination Council pass rates on core subjects such as Mathematics and English are low, and the Region suffers high rates of brain drain. In certain cases, improvements in school attendance have not been accompanied by increases in achievement or cognitive skills, constraining labour market access and income opportunities, as well as transition between sectors in the context of economic diversification. Consistent with national education development plans and regional sector strategies, the emphasis of CDB's support to enhanced educational outcomes over the Strategic Plan period will focus on improving: (a) access to quality early childhood development (ECD); (b) the relevance of training for increased workforce participation, particularly for unemployed youths and at-risk persons; (c) gender-equitable access to non-traditional occupational areas and employability skills enhancement; and (d) the quality of teacher effectiveness particularly for the Science, Technology, Engineering and Mathematics disciplines.

### **Governance**

5.18 Among the proposed SDGs, governance is reflected across several Goals, but is directly addressed under Goals 16 and 17. Governance may be defined as the process by which public institutions conduct public affairs, manage public resources and guarantee the realisation of civil, cultural, economic, political and social human rights. It is the manner in which power is exercised in the management of a country's economic and social resources for development. Good governance is synonymous with sound development management and relates to the political and institutional outcomes that are deemed necessary to achieve the goals of development. Good governance is concerned with the full respect of human rights; rule of law; effective participation and multi-actor partnerships for development; transparent and accountable processes and institutions; an efficient and effective public sector; and access to knowledge, information and education.

### Governance in the Caribbean and the SDGs

5.19 The traditional development constraints of countries in the Region – low or sluggish growth, high levels of debt and deficit and low productivity and competitiveness driven by limited regional integration of transportation and logistics and high costs of doing business – coupled with the vulnerability of infrastructure and agricultural production to weather events and climate change, highlight the important role of effective institutions and sound resource management.

5.20 Regulatory quality for both local business and foreign investment represents a key governance challenge that countries are aiming to address in the medium term. According to the 2015 Doing Business indicators, while 6 of 12 economies in the Caribbean implemented at least one regulatory reform making it easier to do business, Caribbean economies still tend to lag Latin American counterparts in Doing Business indicators. Issues of public sector management and service delivery; transparency and participation; regional cooperation and public goods; and data monitoring and accountability in a post-2015 framework have also emerged as governance challenges and opportunities that align with the SDGs.

5.21 Going forward, the ease of doing business must be supported by an appropriate enabling environment and transaction costs kept to a minimum. To promote enhanced domestic public financing and sound development management, revenue systems and expenditure management need to be appropriately reformed. As a general principle of the revenue side, tax bases should be as wide as possible, while maintaining equity and efficiency. On the expenditure side, government operations must be transparent, predictable and rules-based. Debt levels need to be brought to sustainable levels and be proactively managed. Further, a central element of good financial governance is proper planning and execution of the budget. Generally accepted principles of good budgeting address the stages of formulation, approval, execution and audit. These principles should ensure that public spending is consistent with national sustainable development strategies, inclusive of environmental, social, economic, GE, and other goals.

### **Financing for Development**

5.22 Financing needs may be as high as \$25 bn over the next decade<sup>11</sup>. Fiscal balance sheets are expected to remain challenged for a considerable time. Financing sustainable development will therefore involve policy options to strengthen the four basic categories of financial resource mobilisation, namely, domestic public, domestic private, international public and international private finance, with an additional focus on means for blending official and private resources and collaboration between various actors.

5.23 In addition to the economic governance reforms required to foster domestic public financing, countries will also need to promote external financing through increased FDI flows - as well as greater Diaspora engagement and curbing illicit flows - by supporting efficiency enhancers. These include a well-trained labour force, appropriate infrastructure and strengthen the capacity of local industry to effectively absorb and apply new technologies. Importantly, the scope for the employment of public/private partnerships (PPPs), which can be leveraged to support sustainable development, also holds robust potential. However, in order to exploit this potential, most regional governments will need to develop PPP policies which set the rules and define country priorities; build the appropriate institutional and human capacity; and create adequate fiscal and accounting frameworks that facilitate the identification and management of fiscal cost and risks.

5.24 CDB is increasingly readying itself to provide adequate support to its clients in seeking to secure the much needed financing for their development needs. Through the revised policy on policy-based operations, CDB supports coherent policy reform agendas that seek to strengthen the business environment,

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<sup>11</sup> 'Public Private Partnerships in the Caribbean: Building on Early Lessons': CDB (2014)

drive down the cost of doing business and improve development outcomes in compliance with its safeguards and commitments to GE. In respect of PPP, CDB, in collaboration with the World Bank and Inter-American Development Bank, has established a PPP Regional Support Mechanism located within the Bank that provides PPP-related capacity building to regional public and private sector actors.

## **6. PRESCRIBED ROLE OF THE SDF IN SUPPORTING SDG ACHIEVEMENT IN BMCs**

6.01 The SDGs represent a bold and ambitious global development agenda. The integrated SDG framework is broad in scope encompassing economic, social and environmental dimensions of sustainable development. Similar to the MDGs, the framework points to the critical need for global partnerships and cooperation in pursuing the sustainable goals. Furthermore, the framework calls attention to and focuses on, the poorest and most vulnerable people in society. This poverty reduction lens provides a clear linkage with the SDF and CDB's development mandate. The alignment between the SDG agenda and the Bank's strategic focus and core priorities is robust and the framework provides a solid basis for informing the new SDF operational strategy. This notwithstanding, there are core issues and challenges that must be surmounted in assisting BMCs in the pursuit of an effective development strategy within the context of the SDG framework. These challenges surround the identification and articulation of Caribbean - relevant targets and associated indicators; the need to collect appropriate baseline data that provide a good basis to measure performance over time; the integration of the relevant SDGs into existing planning frameworks at the country level, which promote smoother implementation; strengthening statistical frameworks which lend themselves to collection, production and dissemination of requisite information; improving policy and project cycle management systems at the country level; and improving donor coordination and leveraging available resources in an effort to maximise development impact within the context of Managing for Development Results.

### **Capacity**

6.02 A recurring theme in all the analyses which seek to gauge the past challenges of the MDGs is strongly correlated to issues around capacity. These relate to capacity to approach development planning in an integrated fashion; shortcomings with respect to having the requisite human resource and financial capability to undertake meaningful development work on a sustained basis; and the general absence of an adequate framework to monitor and report on development gains in a structured and consistent manner within the context of the agreed development goals.

6.03 In fact, one of the strongest recommendations emanating from both the development community as well as country views is that in order for the post-2015 development agenda to avoid major programmatic and monitoring challenges, there is critical need for effective monitoring and evaluation. Moreover, this should be pursued through a system of data collection, processing, and dissemination that is relevant, reliable, timely and valid. Some country stakeholders have also argued for the integration of SDGs into national development priorities and policies to increase the likelihood of adequate funding for the requisite projects and programmes consistent with the goals and targets. There is also the view that countries should invest in promoting widespread public awareness and citizen buy-in to assure a participatory approach in SDG implementation. Among other things, this could facilitate a participatory governance framework and promote greater transparency and accountability. Recognising the critical need for evidence-based policy making, many Governments, with the support of development partners, are seeking to improve their statistical systems. In fact, at the regional level, the Caribbean Community (CARICOM) Advisory Body on Statistics through the Standing Committee of Caribbean Statisticians has proposed an Action Plan comprising initiatives aimed at improving the statistical architecture in the Region in a sustainable manner. These include strengthening national statistical systems, upgrading and integrating information and communication technology in statistics collection, compilation and dissemination; promoting careers in statistics as well as developing a regional approach for the development of statistics. CDB, through SDF 9,

can make a meaningful contribution to the data revolution and the push towards the more efficient use of ‘big data’ that can form part of the data flow, particularly for base line data, in supporting the SDG monitoring and measurement process. Together with key development partners, including UNDP, UNECLAC, CARICOM, OECS, Caribbean Regional Technical Assistance Centre, as well important bilateral initiatives<sup>12</sup>, SDF can support capacity building of national statistical offices and civil society organisations, strengthen development planning systems and embedding a more focused results culture.

## **Financing**

6.04 Attracting appropriate funding levels will be fundamentally important if the Caribbean is to come close to realising the broad ambitions of the SDGs. Under the global framework for financing the SDGs coming out of the Addis Ababa Action Agenda, FFD, this sentiment is expressed and the outcome documents notes that ... *Multi-stakeholder partnerships and the resources, knowledge and ingenuity of the private sector, civil society, the scientific community, academia, philanthropy and foundations, parliaments, local authorities, volunteers and other stakeholders will be important to mobilise and share knowledge, expertise, technology and financial resources, complement the efforts of Governments, and support the achievement of the sustainable development goals, in particular in developing countries*". ECLAC 2015<sup>13</sup> "*Financing for Sustainable Development in the Caribbean: the Role of Domestic Finance*" argues that the ability to adequately finance a post-2015 development framework depended on global development cooperation that would attract aid from diverse sources. Further, given declining ODA, countries will be required to mobilise additional domestic resources. Against that backdrop, the Caribbean will need to upgrade its capacity for domestic resource mobilisation in order to strengthen its means of implementation and revitalise the global partnership for sustainable development. Countries will therefore be required to increased domestic revenue mobilisation, by among other things, strengthening expenditure and investment management, reforming subsidy programmes, and improving public procurement systems. These are areas in which the Bank has played a lead role in the past and in which SDF resources will continue to be vital.

## **Operational Considerations**

6.05 SDF 9 support for the Caribbean in pursuing its development mandate pursuant to the SDGs must proceed along several parallel tracks. The transition from the MDGs to the SDGs represents the deepening of a global resolve to address poverty as a structural impediment to equitable and sustained prosperity. Therefore, there needs to be a very deliberate policy stance to provide support in areas where the Caribbean has obvious deficits and where the Bank continues to maintain an obvious comparative edge. Given their integrated nature, SDF 9 will have to support the SDGs in the three dimensions of sustainable development, *viz*, social, economic and environmental. The strategy, while recognising the unfinished business within the context of the MDGs must be mindful of the fact that the global crisis has undermined many hard-won development gains particularly in the social sphere. The strategy must also recognise the complexity of Caribbean development and while being ambitious in its support, this must be tempered by the need for selectivity and focus in an effort to avoid dilution of development impact.

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<sup>12</sup> The Canada-funded ‘Project for the Regional Advancement for Statistics in the Caribbean’ is an important project focusing on four components that will seek to: enhance the Systems of National Accounts; improve business statistics by working on a robust business survey infrastructure; improve household statistics, including sex-disaggregated socio-economic indicators, by working on a robust survey infrastructure for household surveys; and improve sharing of statistical information and expertise at the national and regional levels.

<sup>13</sup> *Op Cit*

6.06 Against this background, SDF 9 support within the context of the SDGs will be informed by the need to:

- (a) support capacity and implementation deficits which hampered adequate monitoring, measuring and reporting within the context of the MDGs;
- (b) more closely integrate the SDGs into national development frameworks and to promote improved transparency and accountability;
- (c) increase levels of regional and global cooperation and partnerships in order to leverage increasingly scarce development resources targeted towards reducing poverty;
- (d) strengthen domestic policies including national revenue and expenditure systems and bolster procurement systems aimed at improving development impacts;
- (e) close infrastructure gaps in order to sustain growth and promote employment;
- (f) promote greater climate resilience and DRR with the context of COP 21;
- (g) further strengthen gender awareness and embed GE considerations in all aspects of development; and
- (h) harness and leverage RE resources to promote transformative development in the Caribbean.

**SUSTAINABLE DEVELOPMENT GOALS**

<b>Goal 1. End poverty in all its forms everywhere</b>	
<p>1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day.</p> <p>1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030, achieve substantial coverage of the poor and the vulnerable.</p> <p>1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.</p> <p>1.7 Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.</p>	<p>1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.</p> <p>1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.</p> <p>1.6 Ensure significant mobilisation of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries (LDCs), to implement programmes and policies to end poverty in all its dimensions.</p>
<b>Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture</b>	
<p>2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.</p> <p>2.3 By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.</p> <p>2.5 By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilisation of genetic resources and associated traditional knowledge, as internationally agreed.</p>	<p>2.2 By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under five years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.</p> <p>2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.</p> <p>2.6 Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular LDCs.</p>



<b>Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture</b>	
2.7 Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round.	2.8 Adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility.
<b>Goal 3. Ensure healthy lives and promote well-being for all at all ages</b>	
3.1 By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births.	3.2 By 2030, end preventable deaths of newborns and children under five years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-five mortality to at least as low as 25 per 1,000 live births.
3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases.	3.4 By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.
3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol.	3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents.
3.7 By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes.	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.
3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.	3.10 Strengthen the implementation of the World Health Organisation Framework Convention on Tobacco Control in all countries, as appropriate.
3.11 Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the fullest the provisions in the Agreement on Trade-Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all.	3.12 Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in LDCs and SIDS.
3.13 Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks.	

<b>Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</b>	
4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.	4.2 By 2030, ensure that all girls and boys have access to quality ECD, care and pre-primary education so that they are ready for primary education.
4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.	4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy.
4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, GE, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.	4.8 Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all.
4.9 By 2020, substantially expand globally the number of scholarships available to developing countries, in particular LDCs, SIDS and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries.	4.10 By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially LDCs and SIDS.
<b>Goal 5. Achieve gender equality and empower all women and girls</b>	
5.1 End all forms of discrimination against all women and girls everywhere.	5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.
5.3 Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation.	5.4 Recognise and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.
5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	5.6 Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences.
5.7 Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.	5.8 Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.
5.9 Adopt and strengthen sound policies and enforceable legislation for the promotion of GE and the empowerment of all women and girls at all levels.	

<b>Goal 6. Ensure availability and sustainable management of water and sanitation for all</b>	
6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all.	6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.
6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
6.5 By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate.	6.6 By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.
6.7 By 2030, expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies.	6.8 Support and strengthen the participation of local communities in improving water and sanitation management
<b>Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all</b>	
7.1 By 2030, ensure universal access to affordable, reliable and modern energy services.	7.2 By 2030, increase substantially the share of RE in the global energy mix.
7.3 By 2030, double the global rate of improvement in EE.	7.4 By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including RE, EE and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.
7.5 By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular LDCs, SIDS and landlocked developing countries, in accordance with their respective programmes of support.	

<b>Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</b>	
8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7% GDP growth p.a. in the LDCs.	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.
8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro, small and medium enterprises, including through access to financial services.	8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the Ten-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.
8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training.
8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025, end child labour in all its forms.	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.	8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.
8.11 Increase Aid for Trade support for developing countries, in particular LDCs, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to LDCs.	8.12 By 2020, develop and operationalise a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organisation.
<b>Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</b>	
9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.	9.2 Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and GDP, in line with national circumstances, and double its share in LDCs.
9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.
9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.	9.6 Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, LDCs, landlocked developing countries and SIDS.

<b>Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</b>	
9.7 Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, <i>inter alia</i> , industrial diversification and value addition to commodities.	9.8 Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in LDCs by 2020.
<b>Goal 10. Reduce inequality within and among countries</b>	
10.1 By 2030, progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average.	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.
10.5 Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations.	10.6 Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions.
10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.	10.8 Implement the principle of special and differential treatment for developing countries, in particular LDCs, in accordance with World Trade Organisation (WTO) agreements.
10.9 Encourage ODA and financial flows, including foreign direct investment, to States where the need is greatest, in particular LDCs, African countries, SIDS and landlocked developing countries, in accordance with their national plans and programmes.	10.10 By 2030, reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%.
<b>Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable</b>	
11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
11.3 By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.	11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.
11.5 By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global GDP caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations.	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

<b>Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable</b>	
11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.	11.8 Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning.
11.9 By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015–2030, holistic disaster risk management (DRM) at all levels.	11.10 Support LDCs, including through financial and TA, in building sustainable and resilient buildings utilising local materials.
<b>Goal 12. Ensure sustainable consumption and production patterns</b>	
12.1 Implement the Ten-Year Framework of Programmes on Sustainable Consumption and Production Patterns, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries.	12.1 Implement the Ten-Year Framework of Programmes on Sustainable Consumption and Production Patterns, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries.
12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.	12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.	12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.
12.9 Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production.	12.9 Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production.
<b>Goal 13. Take urgent action to combat climate change and its impacts*</b>	
13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	13.2 Integrate climate change measures into national policies, strategies and planning.
13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	13.4 Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilising jointly \$100 bn annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalise the Green Climate Fund through its capitalisation as soon as possible.

<b>Goal 13. Take urgent action to combat climate change and its impacts*</b>	
13.5 Promote mechanisms for raising capacity for effective climate change-related planning and management in LDCs and SIDS, including focusing on women, youth and local and marginalised communities.	
<b>Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development</b>	
14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.	14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.
14.3 Minimise and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels.	14.4 By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics.
14.5 By 2020, conserve at least 10% of coastal and marine areas, consistent with national and international law and based on the best available scientific information.	14.6 By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognising that appropriate and effective special and differential treatment for developing and LDCs should be an integral part of WTO fisheries subsidies negotiation.
14.7 By 2030, increase the economic benefits to SIDS and LDCs from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism.	14.8 Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular SIDS and LDCs.
14.9 Provide access for small-scale artisanal fishers to marine resources and markets.	14.10 Enhance the conservation and sustainable use of oceans and their resources by implementing international law as reflected in the United Nations Convention on the Law of the Sea, which provides the legal framework for the conservation and sustainable use of oceans and their resources, as recalled in paragraph 158 of “The future we want”.

<b>Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</b>	
15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.	15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
15.3 By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.	15.4 By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development.
15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.	15.6 Promote fair and equitable sharing of the benefits arising from the utilisation of genetic resources and promote appropriate access to such resources, as internationally agreed.
15.7 Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products.	15.8 By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species.
15.9 By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts.	15.10 Mobilise and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.
15.11 Mobilise significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.	15.12 Enhance global support for efforts to combat poaching and trafficking of protected species, including by increasing the capacity of local communities to pursue sustainable livelihood opportunities.
<b>Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</b>	
16.1 Significantly reduce all forms of violence and related death rates everywhere.	16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children.
16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all.	16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime.
16.5 Substantially reduce corruption and bribery in all their forms.	16.6 Develop effective, accountable and transparent institutions at all levels.
16.7 Ensure responsive, inclusive, participatory and representative decision making at all levels.	16.8 Broaden and strengthen the participation of developing countries in the institutions of global governance.
16.9 By 2030, provide legal identity for all, including birth registration.	16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.
16.11 Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime.	16.12 Promote and enforce non-discriminatory laws and policies for sustainable development.



<b>Goal 17. Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development Finance</b>	
17.1 Strengthen domestic resource mobilisation, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.	17.2 Developed countries to implement fully their ODA commitments, including the commitment by many developed countries to achieve the target of 0.7% of gross national income (GNI) for ODA/GNI to developing countries and 0.15 to 0.20% of ODA/GNI to LDCs; ODA providers are encouraged to consider setting a target to provide at least 0.20% of ODA/GNI to LDCs.
17.3 Mobilise additional financial resources for developing countries from multiple sources.	17.4 Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress.
17.5 Adopt and implement investment promotion regimes for LDCs.	17.6 Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the UN level, and through a global technology facilitation mechanism.
17.7 Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed.	17.8 Fully operationalise the technology bank and science, technology and innovation capacity-building mechanism for LDCs by 2017 and enhance the use of enabling technology, in particular information and communications technology.
<b>Capacity-building</b> 17.9 Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the SDGs, including through North-South, South-South and triangular cooperation.	<b>Trade</b> 17.10 Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the WTO, including through the conclusion of negotiations under its Doha Development Agenda.
17.11 Significantly increase the exports of developing countries, in particular with a view to doubling the LDCs' share of global exports by 2020.	17.12 Realise timely implementation of duty-free and quota-free market access on a lasting basis for all LDCs, consistent with WTO decisions, including by ensuring that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access.
<b>Systemic issues</b> <i>Policy and institutional coherence</i> 17.13 Enhance global macroeconomic stability, including through policy coordination and policy coherence.	17.14 Enhance policy coherence for sustainable development.

<b>Goal 17. Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development Finance</b>	
17.15 Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development.	17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the SDGs in all countries, in particular developing countries.
17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.	<i>Data, monitoring and accountability</i> 17.18 By 2020, enhance capacity-building support to developing countries, including for LDCs and SIDS, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts.
17.19 By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement GDP, and support statistical capacity-building in developing countries.	

**SAMOA PATHWAYS PRIORITY ACTIONS**

1. Against the backdrop of hindered growth prospects of SIDS on account of climate change, the impact of natural disasters, the high cost of imported energy and the degradation of coastal and marine ecosystems and sea-level rise, priority actions coming out of the Samoa Pathways include:

**Climate Change**

2. Support for the efforts of SIDS to:

- (a) build resilience to the impacts of climate change and to improve their adaptive capacity through the design and implementation of climate change adaptation measures appropriate to their respective vulnerabilities and economic, environmental and social situations;
- (b) improve the baseline monitoring of island systems and the downscaling of climate model projections to enable better projections of the future impacts on small islands;
- (c) raise awareness and communicate climate change risks, including through public dialogue with local communities, to increase human and environmental resilience to the longer-term impacts of climate change; and
- (d) address remaining gaps in capacity for gaining access to and managing climate finance.

**SE**

3. Support for the efforts of SIDS to:

- (a) develop a strategy and targeted measures to promote EE and foster SE systems based on all energy sources, in particular RE sources, in SIDS, such as wind, sustainable biomass, solar, hydroelectric, biofuel and geothermal energy;
- (b) facilitate access to existing financing mechanisms to increase capital flows for the implementation of SE projects in SIDS on RE and EE; and
- (c) support investment in initiatives by and for SIDS, in particular the “SIDS DOCK” indicative project pipeline of RE and EE and conservation projects, as well as in the areas of capacity-building and human resources development and public education and awareness.

**DRR**

4. In consideration of the special case of SIDS and their unique and particular vulnerabilities, we are committed to supporting their efforts to:

- (a) gain access to TA and financing for early warning systems, DRR and post-disaster response and recovery, risk assessment and data, land use and planning, observation equipment, disaster preparedness and recovery education programmes, including under the Global Framework for Climate Services, and DRM;

- (b) mainstream policies and programmes related to DRR, climate change adaptation and development, as appropriate; and
- (c) establish and strengthen risk insurance facilities at the national and regional levels and place DRM and building resilience at the centre of policies and strategies, where applicable.

### **Food Security and Nutrition**

5. Support the efforts of SIDS to:
- (a) promote the further use of sustainable practices relating to agriculture, crops, livestock, forestry, fisheries and aquaculture to improve food and nutrition security while ensuring the sustainable management of the required water resources;
  - (b) increase rural income and jobs, with a focus on the empowerment of smallholders and small-scale food producers, especially women;
  - (c) end malnutrition in all its forms, including by securing year-round access to sufficient, safe, affordable, diverse and nutritious food; and
  - (d) enhance the resilience of agriculture and fisheries to the adverse impacts of climate change, ocean acidification and natural disasters.

### **Water and Sanitation**

6. Recognising that SIDS face numerous challenges with respect to freshwater resources, including pollution, the overexploitation of surface, ground and coastal waters, saline intrusion, drought and water scarcity, soil erosion, water and wastewater treatment and the lack of access to sanitation and hygiene. Furthermore, changes in rainfall patterns related to climate change have regionally varying and potentially significant impacts on water supply. Support the efforts of SIDS to:

- (a) provide and operate appropriate facilities and infrastructure for safe drinking water, sanitation, hygiene and waste management systems, including the exploration of desalination technology where economically and environmentally feasible; and
- (b) facilitate the expansion of wastewater treatment, recycling and reuse in the context of the sustainable and efficient use of water resources.

### **GE and Women's Empowerment**

7. Support the efforts of SIDS to:
- (a) eliminate all forms of discrimination against women and girls;
  - (b) integrate a gender perspective in priority areas for sustainable development;
  - (c) strengthen women's economic empowerment and ensure equal access to full and productive employment and decent work; and
  - (d) end all forms of violence against women and girls.

### **Financing**

8. Recognise that financing from all sources, domestic and international, public and private, the development and transfer of reliable, affordable, modern technology on mutually agreed terms, capacity-building assistance and enabling institutional and policy environments at all levels are critically important means of advancing sustainable development in SIDS. As those States have unique and particular vulnerabilities that require dedicated attention, they will continue to make use of a wide range of available financing mechanisms to implement the Barbados Programme of Action, the Mauritius Strategy and the Samoa Pathway.

### **Data and Statistics**

9. Data and statistics play an important role in development planning in SIDS and the UN system collects statistics from those States, irrespective of size and in the least burdensome way, by, *inter alia*, allowing electronic submission and, where appropriate, submissions through competent regional agencies. Improved data collection and statistical analysis are required to enable SIDS to effectively plan, follow up on, evaluate the implementation of and track successes in attaining the internationally agreed development goals.

10. In this regard, we reaffirm our commitment to support the efforts of SIDS to:

- (a) strengthen the availability and accessibility of their data and statistical systems, in accordance with national priorities and circumstances, and enhance their management of complex data systems, including geospatial data platforms, by launching new partnership initiatives or scaling up existing initiatives; and
- (b) improve the collection, analysis, dissemination and use of gender statistics and data disaggregated by sex, age, disability and other relevant variables in a systemic and coordinated manner at the national level, through appropriate financial and technical support and capacity-building, while recognising the need for international cooperation in this regard.

