

AS PREPARED FOR DELIVERY

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TARGETING FOR A BETTER FUTURE

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Ladies and gentlemen,

Our President has set the context in charting the road map to a better future, the Vice-President has outlined actions necessary to reach the desired destination and now I will discuss the distance to the finish line. Specifically, I will provide an overview of the Region's performance in its quest to attain the 2030 Sustainable Development Goals, more commonly known as the SDGs. I will also summarise:

- how CDB is helping its BMCs to meet the SDGs;
- the challenges our countries face in pursuing their sustainable development agendas
- and the reforms that are necessary between now and 2030 to ensure that we get as close to our targets as possible.

The Caribbean, the SDGs and the Impact of COVID

Now the SDGs, agreed in 2015, are a critical element of the framework on which CDB's resilience building efforts are anchored. These goals represent an agreed path or blueprint for people-centred development – to ensure that our economies develop in a manner that is sustainable, inclusive and equitable and where ultimately no one is left behind.

Most of CDB's Borrowing Member Countries have National Development Plans that are aligned to the SDGs. In fact, 11 of the 19 BMCs have aligned the SDGs with their development plans, including setting measurable targets. For example, Jamaica has identified 115 SDG targets as being relevant to its reality. While Trinidad and Tobago's National Development Strategy includes 56 national goals under implementation in three-year time horizons up to 2030.

Progress on the SDGs

So how have we been progressing on the SDGs? In general, as a Region we were making some progress up until 2019. However, the COVID-19 pandemic and subsequent economic contractions caused the distance to these targets to widen and unfortunately, it has been the poorest and most vulnerable among us who have felt the impact the most. This underscores the urgency of getting back on track – because tracking and monitoring the SDGs is not an academic exercise – as Isaac stated, behind these numbers are people, families and communities.

Not surprisingly, the main SDGs negatively impacted by the economic dislocation of the last three years were SDGs 1 (No Poverty) and 8 (Decent Work and Economic Growth).

But what else has the data revealed in the Region's march towards the SDGs? On the positive side, although there is room for improvement, BMCs are showing relatively good performance in relation to Goal 4 (quality education), Goal 12 (responsible consumption and production), and Goal 13 (climate action).

Slow but steady progress is being made in relation to Goal 6 (clean water and sanitation), Goal 7 (affordable and clean energy), and Goal 9 (industry, innovation, and infrastructure). However, the SDGs such as goals 14 (life below water), 15 (life on land), and 16 (peace, justice, and strong institutions) are almost universally under threat of under achievement.

So how has the Bank been contributing to the Region's attainment of the SDGs? What does our reporting on development results tell us about the anticipated impact on people's lives?

Every year, CDB produces the Development Effectiveness Report (DER) - a comprehensive report on results achieved through interventions financed by the Bank in our 19 BMCs. The DER

assesses development trends, progress, and challenges encountered during the project cycle; while evaluating the results of CDB's interventions against objectives outlined in our strategic plan.

The results indicate that CDB's interventions are having positive effect and we are trending towards strategic plan targets in the areas of education and training; agriculture and rural development; water and sanitation; community infrastructure; citizen security; economic infrastructure; private sector development; and environmental sustainability.

Quality Education and Youth-at-risk

But what do these indicators really mean for Caribbean lives? In the area of education, it means that more of our young people are better prepared for the labour market and have enhanced earning potential. Approximately 92,000 students, of whom about 44,500 were female, benefitted from improved classroom conditions, enhanced teacher competence or access to loan financing; and over 2,000 teachers (75% of which were female) were trained.

As the Region's most valuable asset, our youth need to be engaged as valued partners in development and safeguarded against violence and exploitation. Against this background, since the start of 2020, over 1700 young persons, of whom about 800 were female, have benefitted from youth-at-risk programmes that provided life skills and training to improve employability prospects, and provide outlets for recreation and creative expression.

Agricultural Productivity and Food Security

Under the rubric of agricultural productivity and food security, we have made progress in supporting the Region's efforts to ensure that we grow and produce more food of our own. Over 3,200 stakeholders (most of whom are female) have been trained in improved production technology, and over 7,100 persons have benefitted from improved agriculture, land management and climate smart agricultural practices.

Infrastructure - Water Supply and Roads

Access to a safe, reliable and efficient water supply is a necessity for the health and economic well-being of our people. We have been able to provide nearly 57,000 households with access to improved sanitation and running water. Additionally, getting to work and school and conducting business has been made easier for 234,000 more people, who now have access to resilient roads and other infrastructure funded by CDB interventions.

Supporting Small Businesses

Between 2020 and 2021, at the height of the COVID-19 pandemic when small businesses were facing tremendous economic pressure, \$9 million in credit was made available to support over 100 micro, small and medium enterprises (MSMEs). In addition, nearly 2,000 MSMEs have benefitted from targeted technical assistance, in areas such as general management and business development, digitalisation and technology application, market access, youth entrepreneurship, and institutional strengthening.

Environmental Sustainability

Regarding environmental sustainability, 2.3 Megawatts of renewable power generation capacity have been installed, and there have been 57.3 Gigawatt hours of energy savings as a result of energy efficiency and renewable energy interventions across the region. This reduced greenhouse gas emissions by over 28,000 tonnes of carbon dioxide since the start of 2020.

Further Actions to be Taken

While there has been some progress on the SDGs, and the Bank has been making a contribution to these positive development outcomes, there is still a long way to go if the targets are to be met. So, what further actions should be taken?

Crowding in resources

As the President has indicated, the Region's financing needs are enormous – much more than CDB alone can provide. Therefore, there is a need to crowd-in resources, and in particular, concessional resources to help BMCs meet their gross financing needs and achieve their SDG targets. Our Vice President, Operations already noted some recent agreements in this area. Since 2020, we have been able to attract over \$550mn from donors and our Contributors to advance regional development, and we will continue to seek out other sources of financing to support the improvement of social and economic conditions and enhance quality of life for the people of the Caribbean.

Build implementation capacity

To advance the pace towards the SDGs countries will also need to strengthen institutional capacity to implement policies and projects in a more timely manner. The Bank is in the process of crafting assistance to support the region in this regard. The first and critical component of this process, is diagnosis. During 2023, the Bank will conduct an assessment to determine those binding constraints that hinder BMCs' implementation efforts. From that assessment, a programme of reforms will be formulated.

Improving measurement and targeting

Still focusing on actions to be taken, we believe that in order to improve targeting and the tracking of SDGs, the Region must focus on the production of timely, relevant, and frequent statistics and undertake more discovery/diagnosis and transformation of available knowledge. Simply put, we must "measure better to target better." To this end, through CARICOM, we have provided support for national housing and population census activities. (Elaborate)

CDB is also focusing on improving the evidence base needed for regional development, through a series of Enhanced Country Poverty Assessments with members of the Organisation of Eastern Caribbean States, and through support for other countries such as Belize. These Assessments will provide an accurate and up-to-date picture of the poverty situation in BMCs, which will help policy makers to determine the nature of support necessary and more effectively target the most vulnerable.

Ultimately, it is clear that as a Region we have much to do to achieve our SDG targets. Our progress was interrupted by the pandemic, and even now global events such as the war in Ukraine are limiting economic recovery. This means that BMCs will need to prioritise meeting their SDG

targets when using the resources available. This in turn will require good quality data to inform policy choices, effective implementation, and accurate monitoring and evaluation. CDB will support the BMCs in carrying out these activities effectively, through its drive towards better and targeted development decisions, which will include knowledge and data improvement and evidence-based expansion.

To conclude, CDB will also continue to work with the BMCs in the pursuit of their SDG targets by seeking to crowd-in further concessional resources, by supporting improvements in project implementation, and by providing sound evidence-based policy advice. These will complement those BMC actions recommended by the President and the VPO, such as improving public financial management; enhancing food security and trade; and improving the business environment so that the private sector can play a greater role.

Unreservedly CDB's focus remains on facilitating sustainable development throughout the region to ensure thriving economies, stable societies and living conditions that enable our people to achieve their full potential. Our journey to a better future continues... at an accelerated pace.