

**STATEMENT BY
THE GOVERNOR FOR
SAINT LUCIA
HONOURABLE GUY E. JOSEPH**

Chairman of the Board of Governors, Mrs. Camille Robinson-Regis; Acting Prime Minister of Trinidad and Tobago and Minister for Finance, Mr. Colm Imbert; Honourable Prime Ministers; distinguished Governors; President of the Caribbean Development Bank (CDB), Dr. Warren Smith; members of the Board of Directors; Vice-Presidents and other members of CDB's staff; distinguished delegates, observers, representatives of the media, Ladies and Gentlemen.

It is an honour, on behalf of the Government and people of Saint Lucia, to have the opportunity to participate once again in the Annual Meeting of the Board of Governors of CDB. I am happy to be in the twin-island Republic at this time, and so I would like to express sincerest gratitude to the Government and people of Trinidad and Tobago for the usual warm and colourful hospitality.

On the verge of its 50th anniversary, CDB continues to play a critical role in the socio-economic development of its Borrowing Member Countries (BMCs). This role is particularly important given that the BMCs are Small Island States that are grappling with the challenges of climate change while remaining afloat on the rough seas of the dynamic global economy.

CDB continues to be a key partner in financing our interventions as we attempt to integrate international commitments like the Sustainable Development Goals into our socio-economic planning. In pursuit of that objective, Saint Lucia is currently in the process of formulating its Voluntary National Review with a view to reporting at the High Level Political Forum at the United Nations in July 2019.

Saint Lucia is grateful for the support that it has received from CDB over the years. Our loan portfolio covers a wide cross-section of our economy with approvals at the end of November 2018 amounting to USD375.3 million (mn) or well above XCD1 billion. This is a significant amount that has benefited us in areas of water and sanitation, health care, education and infrastructure.

Notwithstanding the size of the approved financing for our country, we are concerned about other indicators of CDB's borrowing to Saint Lucia. These are interrelated and threefold as follows:

- the low level of disbursements;
- the slow rate of project implementation; and
- the net negative resource flows from CDB to Saint Lucia.

The low-level disbursements and slow implementation mean that the approved projects lose momentum and therefore fail to have the intended impact on the lives of citizens. In that respect, of particular concern, is the net negative flow from CDB to Saint Lucia which has been increasing in recent years and now averages USD10 mn per annum.

I am aware that the issues of low disbursement and slow project implementation have been long-standing agenda items at various forums within CDB. Accordingly, Saint Lucia is keen to see some concrete actions being taken to address these issues. In that respect, I am encouraged by the proposed interventions by CDB, to increase capacity within countries and review its own internal processes with a view to making them more flexible and relevant to actual circumstances on the ground.

I wish to take this opportunity to commend CDB for its initiative in funding Saint Lucia's implementation of the delivery approach to driving results on the ground. This new approach is being executed with the support of Pemandu Associates from Malaysia and Delivery Associates from the United Kingdom. The First Phase of the initiative involved the identification of six (6) Key Results Areas or national priorities which came out of a wide-ranging consultation process among the private and public sectors, while the Second Phase involves setting-up the Delivery Unit within the Office of the Prime Minister.

After the current period of hand-holding, the plan is that the overseas experts will hand-over to the local team by the First Quarter of 2020. Saint Lucia is eager to deliver on the success of this initiative and has therefore adopted it as the framework within which it will execute its Medium-Term Development Strategy for the period 2019-2022. We understand the interest that this approach has generated among BMCs and see it as part of the solution to the implementation problems the Region faces.

In conclusion, I reiterate Saint Lucia's commitment to working in conjunction with all stakeholders to ensure that CDB continues to fulfil its mandate of fostering the socio-economic development of our Region.

I thank you.