



Regional Forum on Building a Caribbean Pathway for Disaster Resilience in the CDEMA Participating States – Economic Diversification

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Regional economic challenges



Macroeconomic

- Low economic growth
- Trade concentration
- Output volatility
- High debt and declining reserves
- Poor sovereign debt ratings
- Financial sector vulnerabilities and instability



Productivity & Competitiveness

- Low rankings in the World Bank's Ease of Doing Business index
- Large infrastructure gaps
- Weak governance
- Inefficient and costly transport links
- High energy and electricity costs and nascent regulation



Human Development

- High poverty and unemployment
- Very high youth unemployment and poor education outcomes
- High crime and citizen insecurity
- Limited social data available for designing and measuring effective strategies



Environmental

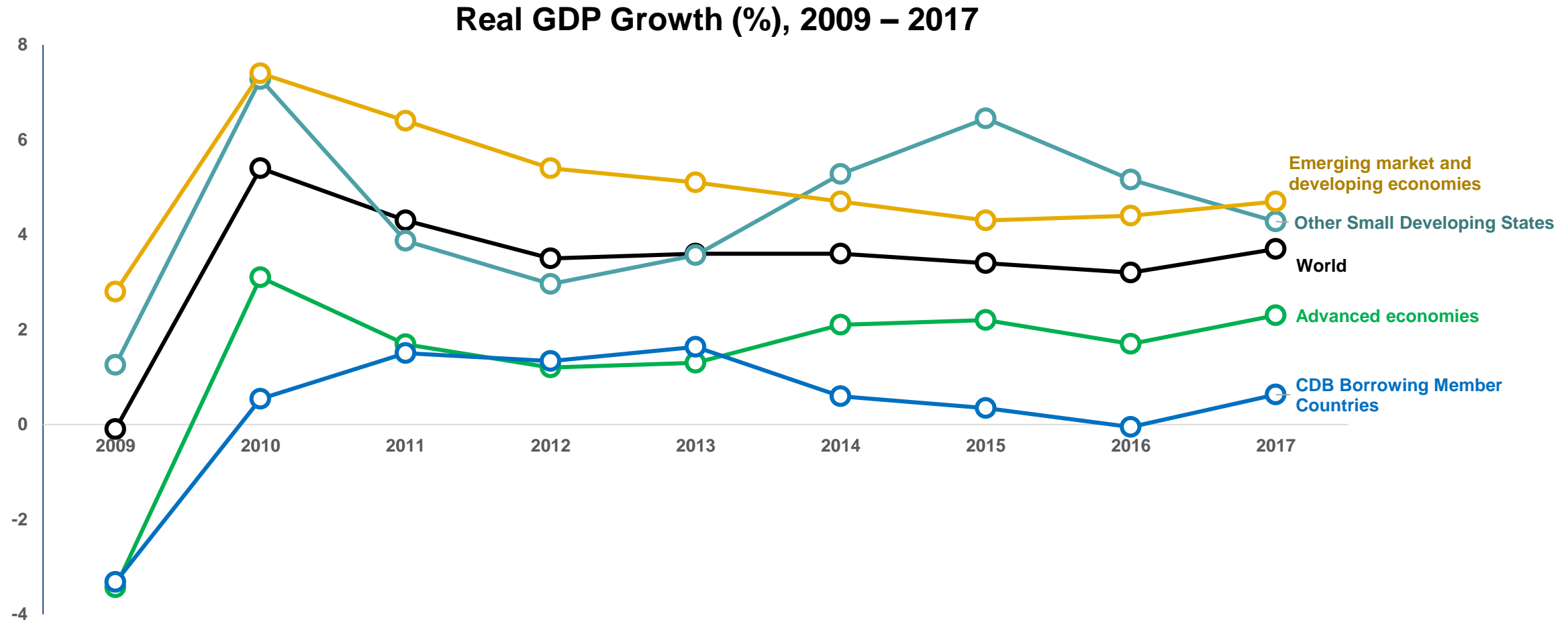
- High annual natural disaster costs
- Low insurance payouts
- Insufficient building codes
- Poor climate change adaptation tools

Implementation Gap

Regional Approach Gap



Average BMC growth is consistently lower than other small and developing states



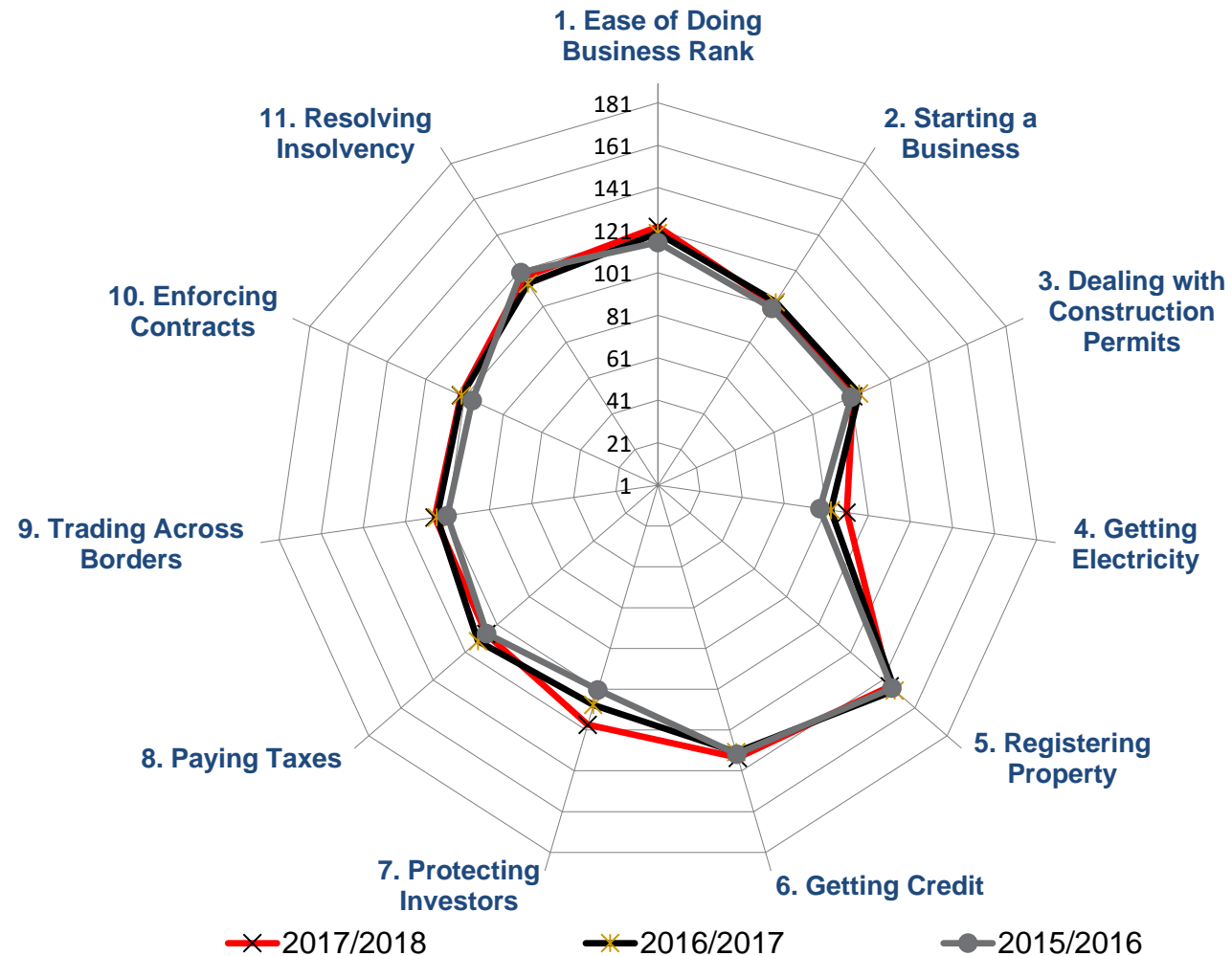
Source: IMF, WEO, CDB



Regional rankings: World Bank Doing Business Reports 2016-2018

**119 positive reforms
(2016-2018)**

**11 negative reforms
(2016-2018)**



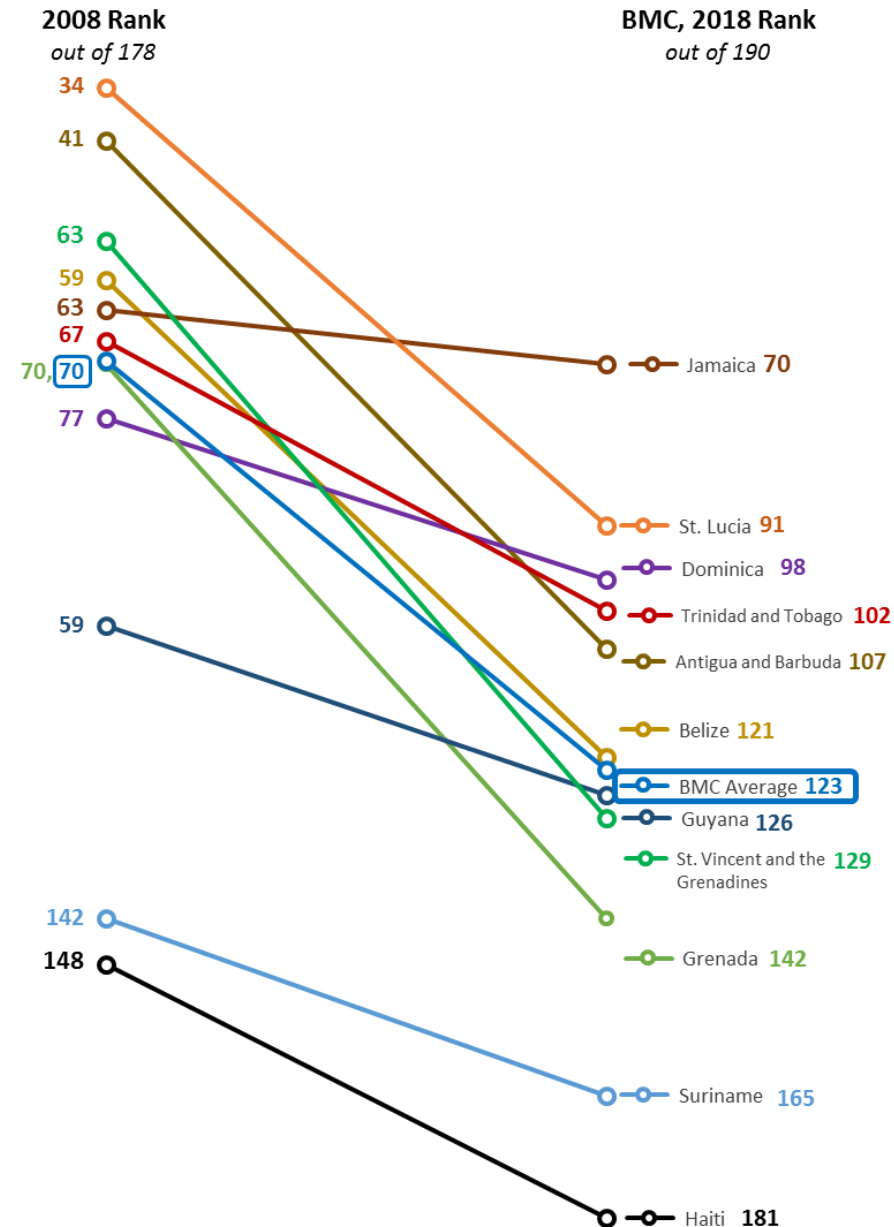
**Best Performer:
Jamaica (70th)**

**Most Reforms:
Jamaica (11)**



Over the last decade, relative positions in the rankings have deteriorated for all BMCs

Doing Business Ranking of Selected BMCs, 2008 vs. 2018

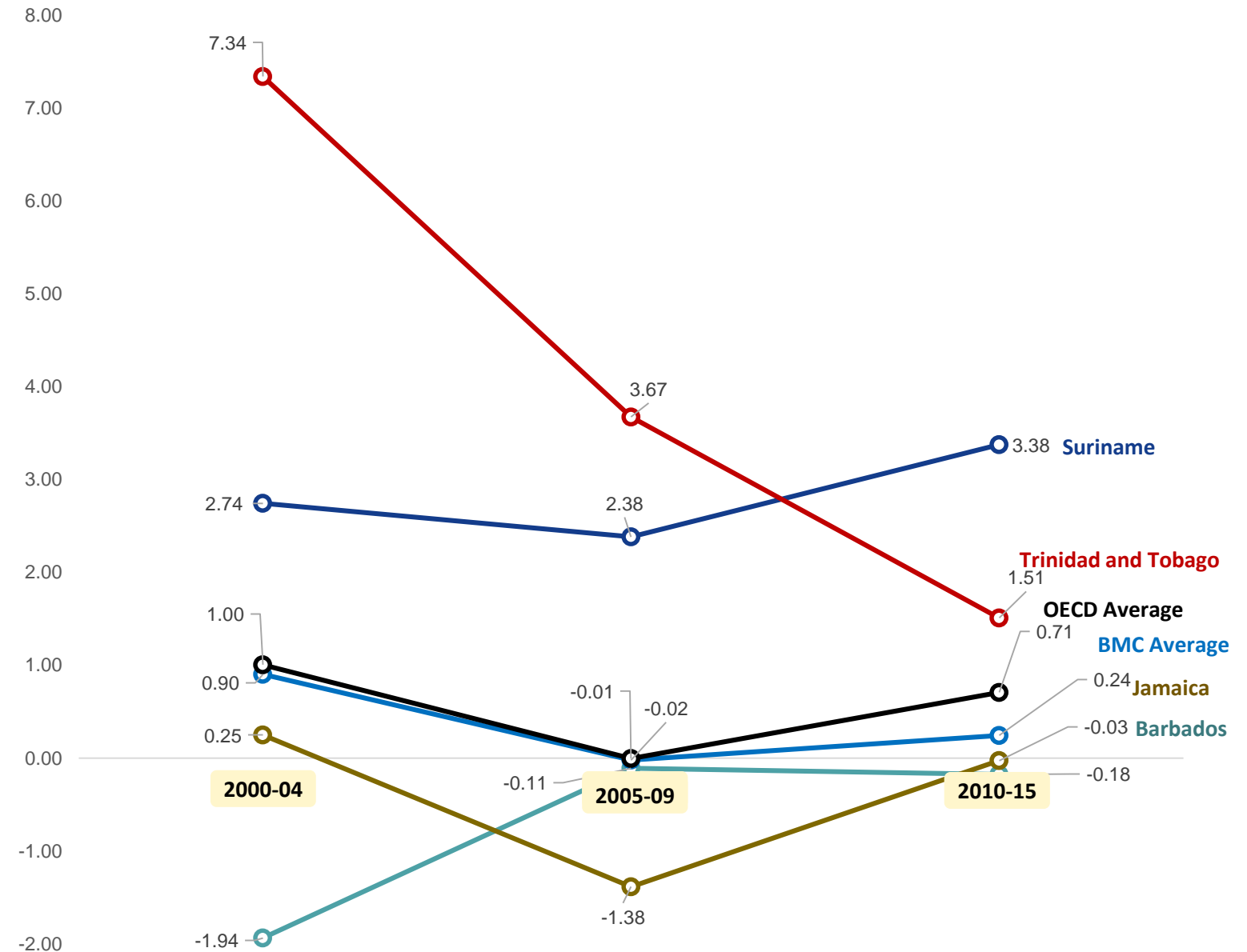


Source: World Bank



Measuring productivity – total factor productivity














Average annual TFP (residual), 2000-2015





2017 ICT Development Index, Ranking and Inputs

Over half of the BMCs surveyed do not have a single internet service offer for speeds 100 M and higher

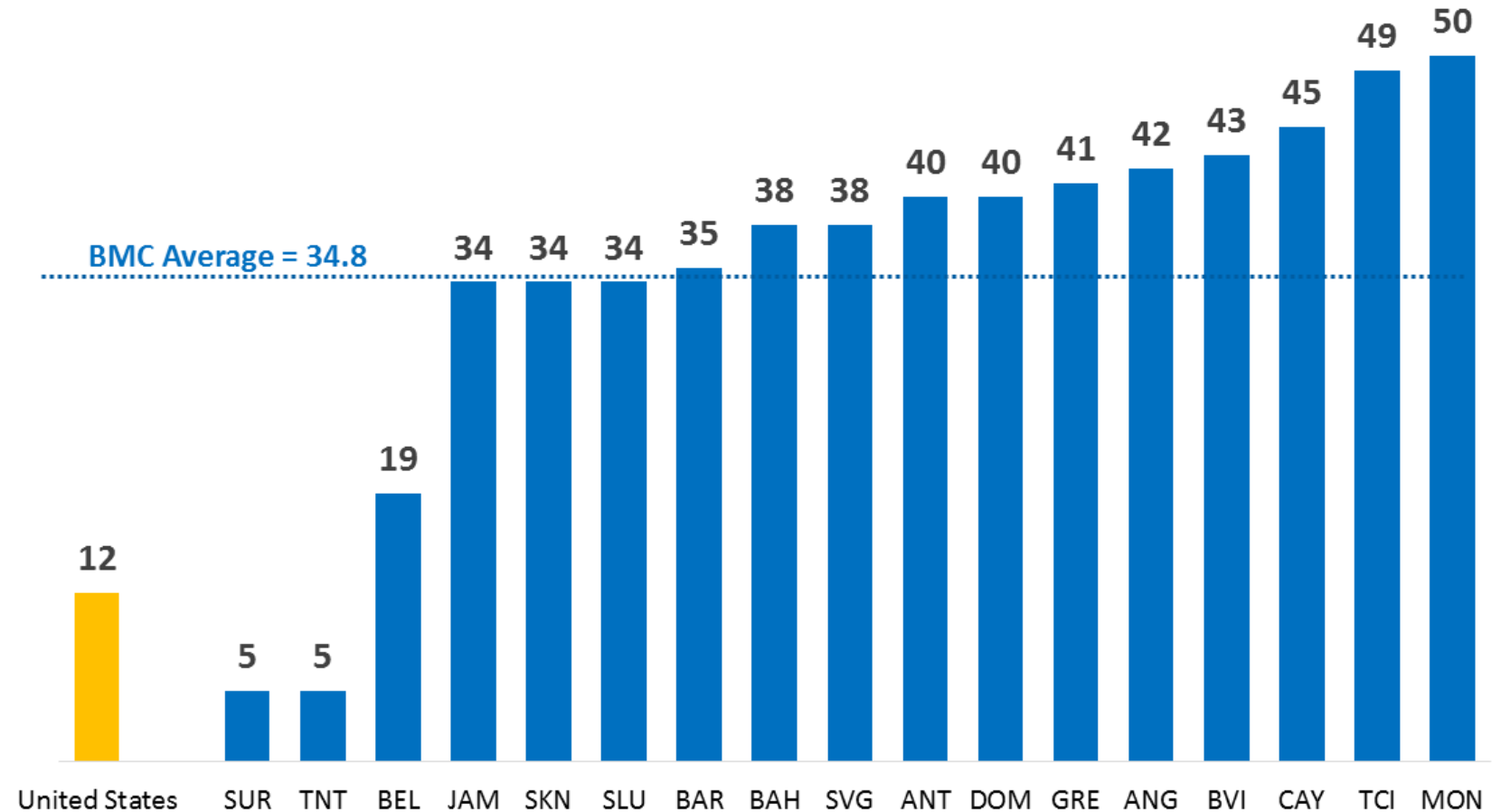
		IDI Rank out of 175	Access	Use	Skill	Highest d/l speed Speed/ bps Price (USD)	
	ANT	75	6.3	4.0	6.2	2 M	\$62.20
	BAH	64	6.8	4.5	7.5	300 M	\$229.99
	BAR	35	8.2	5.9	7.7	1 G	\$297.50
	BZE	119	3.7	2.6	5.8	16 M	\$199.52
	DOM	69	6.4	4.8	6.1	50 M	\$76.93
	GRE	74	6.3	3.8	7.0	100 M	\$128.46
	GUY	121	4.3	1.7	5.7	10 M	\$46.37
	JAM	99	4.8	3.6	5.8	200 M	\$116.43
	SKN	34	7.7	6.5	7.6	48 M	\$128.09
	SLU	94	5.7	3.7	5.5	100 M	\$124.22
	SUR	84	5.9	4.5	4.7	6 M	\$39.74
	SVG	78	6.5	3.9	5.9	100 M	\$128.09
	TT	67	7.0	4.5	5.7	1 G	\$296.30

Source: ITU



High electricity costs also contributes to low business competitiveness

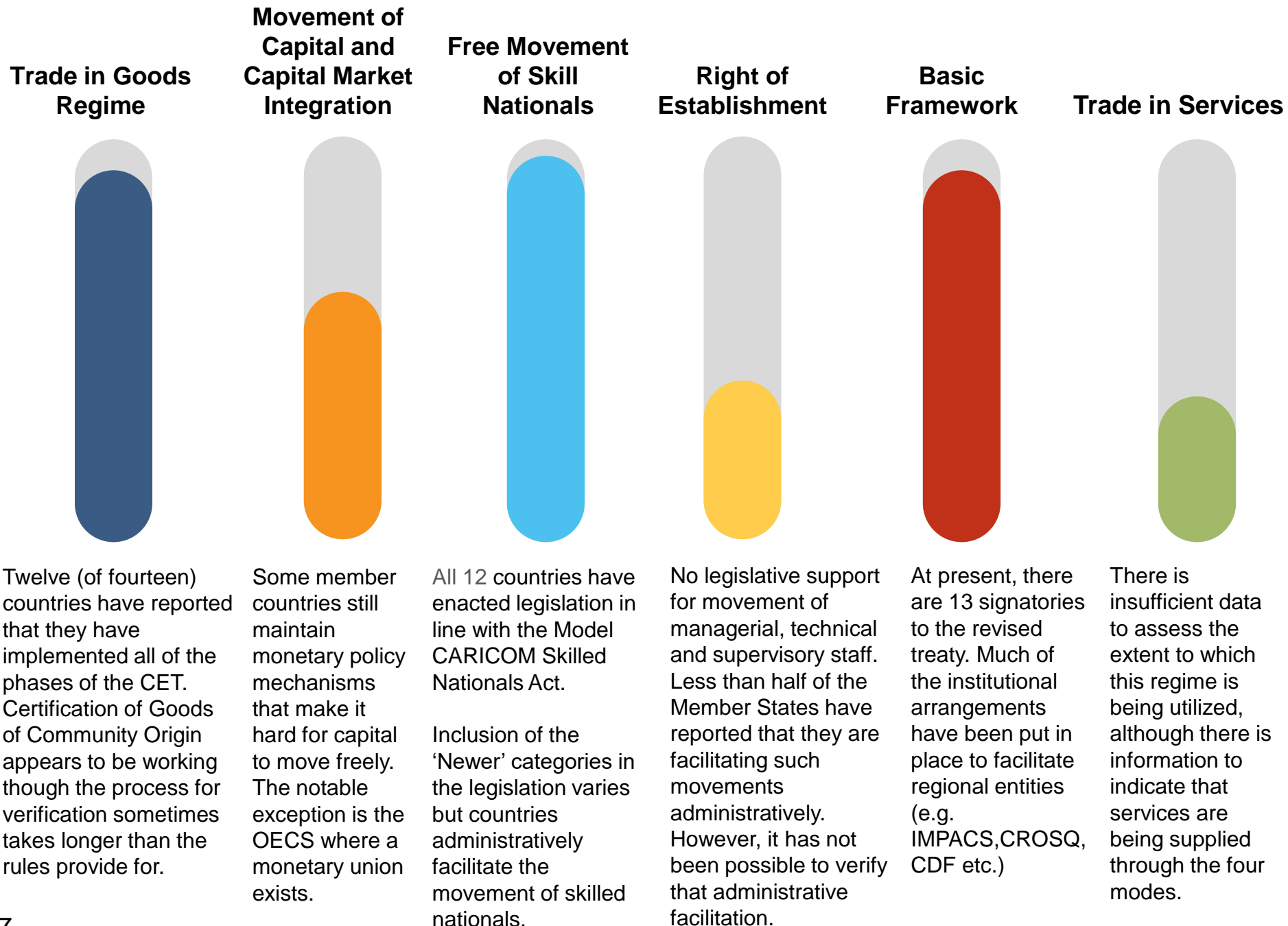
Local Electricity Tariffs (US¢/kWh), 2012



Source: CARLEC, World Bank

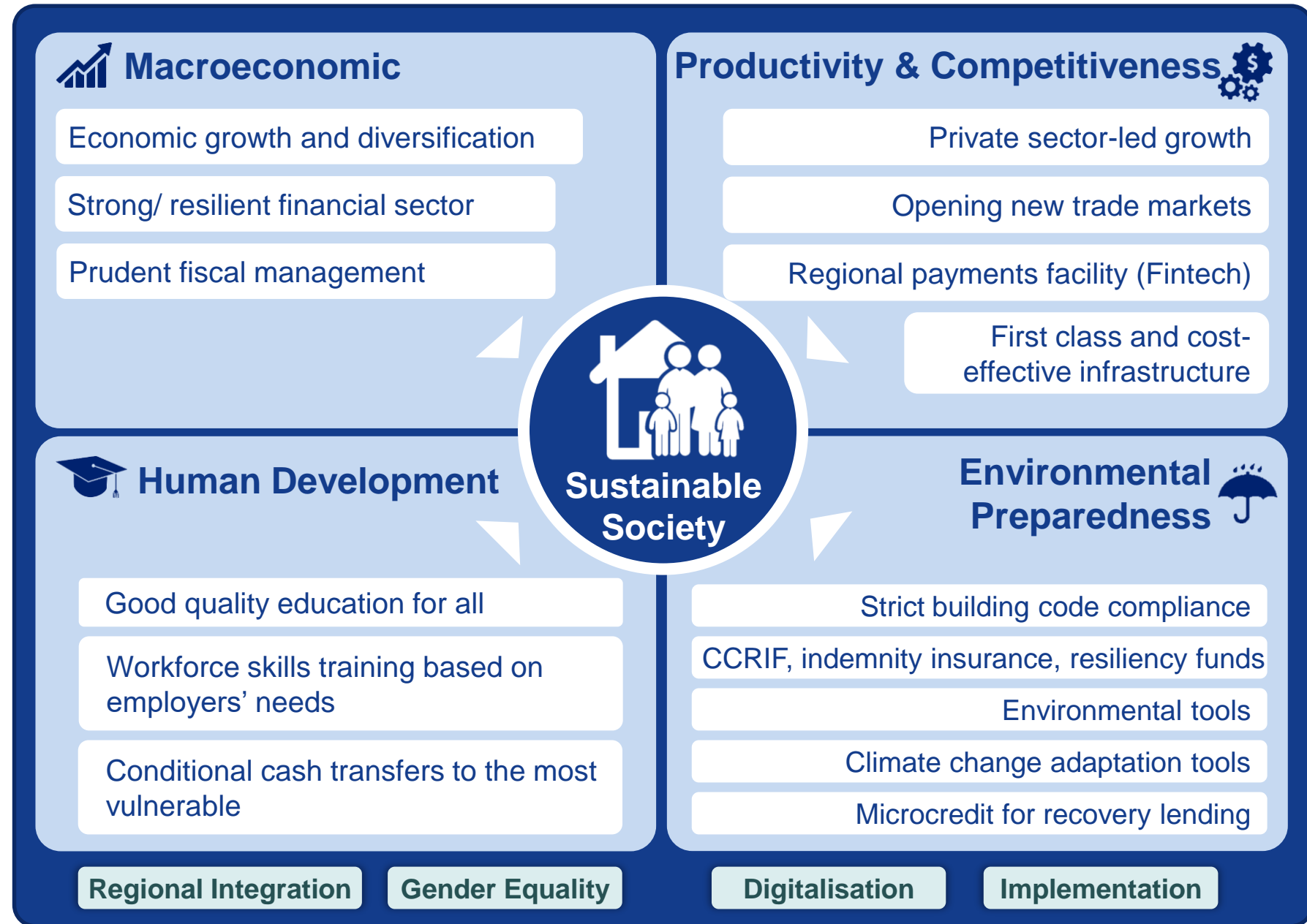


Progress has been slow in fully implementing the CSME



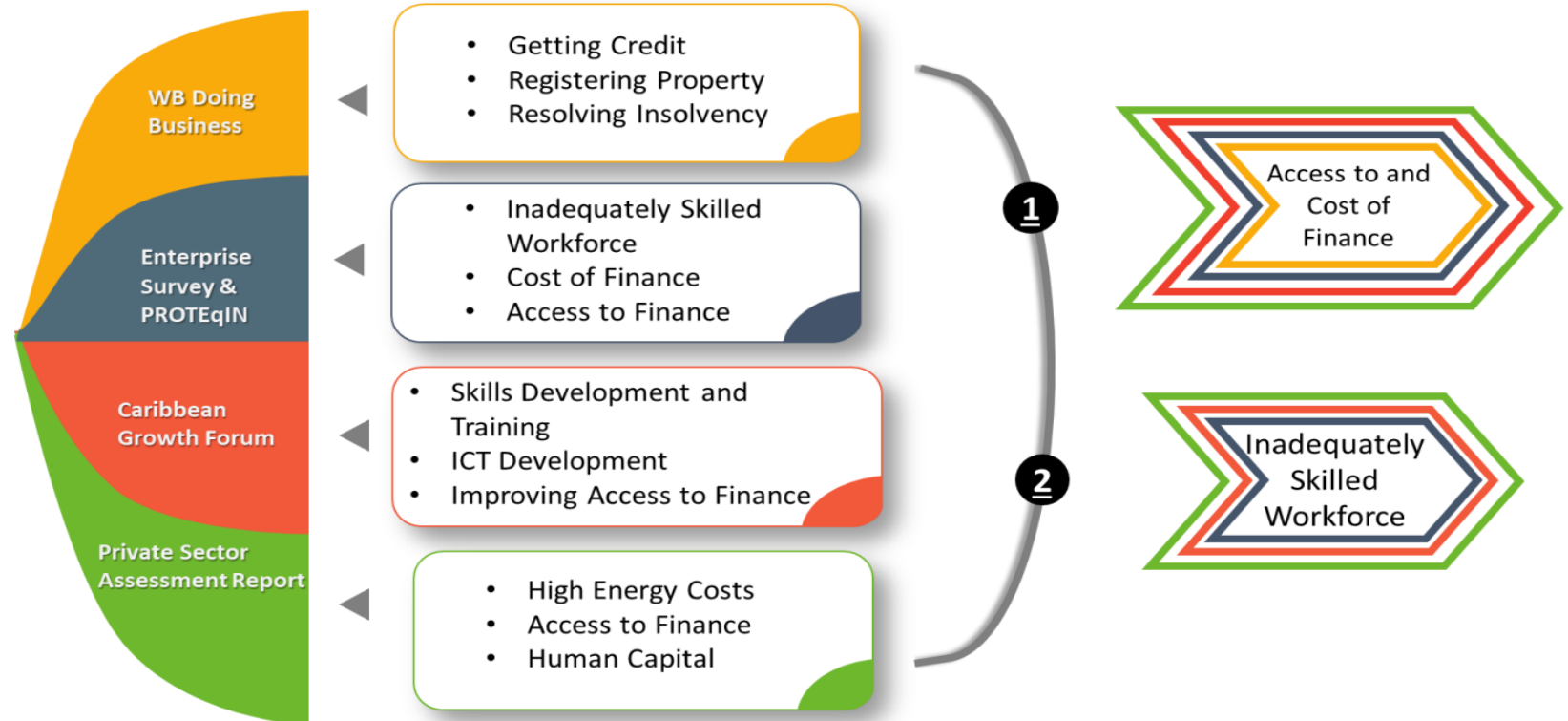


Caribbean Blueprint: A strategy for our resilient economies, society & environment *Published May 2018*





Priorities for business environment reforms to boost diversification





Thank you

