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TRANSFORMING THE PUBLIC SECTOR FOR CLIMATE GOVERNANCE
MANAGING NATIONAL CLIMATE PRIORITIES WITHIN A GLOBAL CONTEXT

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Managing National Climate Priorities within a Global Context

Mr. Moderator
President of CAPAM
Ladies and Gentlemen

Good morning. Let me first apologise for the absence of my colleague, Dr. Slater, the Assistant Secretary-General with responsibility for Human and Social Development, who as you will have seen on the Conference Programme was scheduled to make this presentation. Regrettably, a clashing Community engagement has taken him away from Guyana.

I have been asked to share some thoughts on whether there is now a compelling case and an economic imperative to “go green” in government policy, how is this imperative negotiated, enacted and implemented across our nations and what public sectors are doing to ensure that their national climate priorities fit within a global context.

As I prepare to share these thoughts with you, I can’t help but reflect on stark realities that we face with regard to climate change.

Firstly, we are gathered in Georgetown, the capital of the Cooperative Republic of Guyana, home of the Secretariat of the Caribbean Community and, significantly, located at an elevation one metre below the high tide level. This
fact hits home strongly that climate change with its associated sea level rise is not only a threat to our environment and economic development but threatens the very existence of CARICOM Small Island States and wide-spread devastation to Low-Lying Coastal Developing States.

Secondly the Paris Agreement, to which all CARICOM Member States are signatory, acted as a catalyst for states to strengthen their global response to the threat of climate change by keeping global temperature rise in this century below 2 degrees Celsius and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. As the CARICOM climate change slogan goes, “1.5 to stay alive”. The recently released study of the Inter-Governmental Panel on Climate Change on the potential impact of a 1.5-degree temperature rise supports the concern of the 38 UN recognised Small Island Developing States which includes fourteen CARICOM Member States, that our very existence will be threatened by a 1.5-degree rise, much less a 2-degree temperature rise.

Finally, CARICOM countries contribute less than 1% (0.33 %) to global greenhouse gas emissions yet when it comes to bearing the burden of the impacts of global climate change, we are among the most severely affected. In September last year a number of Caribbean islands were devastated by category 5 hurricanes.

The impact on the islands was devastating with up to 95% damage to building stock in Dominica and Barbuda and, on average, 75-80% in the British Virgin Islands. The total death toll in the CARICOM Member Countries was some fifty (50) persons.

The Post Disaster Assessments concluded that:
• For Dominica, Hurricane Maria resulted in US $1.313 Billion in damage and losses - an equivalent of 226% of GDP. The recovery and reconstruction needs are valued at US $1.37 Billion.

• For Antigua and Barbuda, total damage and losses from Irma and Maria are estimated at US $155M; equivalent of 10% of GDP and the recovery needs amount to US $222.2M.

According to the International Monetary Fund (IMF), the period between 1990 and 2014 the Caribbean sustained losses of between 1.8% and 2% of Gross Domestic Product per annum. In many cases, losses have exceeded 100 % GDP, e.g. Ivan (Grenada 2004), Haiti earthquake (2010); Irma (BVI 2017); Maria (Dominica 2017).

In CARICOM, with a population slightly over 18 million people, very few countries have escaped serious disaster-related damage within the past two (2) decades. Approximately three-quarters of the population lives in at-risk areas, and one-third lives in areas highly exposed to hazards. Disaster events affect the productive sectors of the economy particularly the agriculture and tourism sectors as well as critical infrastructure. Scarce resources earmarked for development programmes and projects have to be diverted to relief and reconstruction following disasters.

Recent experiences in almost all CARICOM Member States confirm that economic growth only recovers slowly from a major natural disaster.

Therefore, the potential economic cost to this region in the face of increasing frequency and intensity of hydro meteorological events, not only limited to
storms and hurricanes but also to drought, brought on by global climate change has the potential to set back gains realized in economic and social development by decades. This alone demands that the issues associated with climate change and climate variability be assertively addressed in the region’s overarching development planning frameworks.

This brings us to the concept of the Green Economy. At the international level, the United Nations General Assembly (UNGA), through resolution 64/236 of December 2009, assigned a leading role to promoting the concept and principles of a Green Economy and to exploring practical ways in which the transition to a Green Economy could support socio-economic recovery from the 2008-2009 global financial crisis. The Resolution also established, *inter alia,* “a green economy in the context of sustainable development and poverty eradication” as a theme of the 2012 United Nations Conference on Environment and Development (Rio+20)

In the lead up to and following Rio + 20, significant work was undertaken by UNEP through their Green Economy initiative which among other things sought to provide policy guidance on the greening of national economies, creating green jobs, and developing strategies for overcoming challenges expected with transitioning to a green economy. The last point of course speaks to expected decline in the short term of profits and competitiveness in adopting green economy and green growth strategies.

While this dialogue was going on at the international level, it was projected that the cost of inaction in adapting to, and managing climate change-related consequences could cost US $10.7 billion per year by 2025 and could double by 2050, according to statistics cited by the Caribbean Community Climate Change Centre. The Regional Climate Change Implementation Plan entitled “Delivering
Transformational Change 2011-2021”, approved by CARICOM Heads of Government notes that:

“The net effect of costs on this scale is equivalent to causing a perpetual economic recession in each of the CARICOM Member States.”

The adoption of Green Economy policies therefore appealed to some CARICOM Member States as a plausible option to transform their economic models and move away from the ‘Business as Usual’ construct.

UNEP defines the Green Economy as one that, “results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities” (UNEP, 2011). In this context, the Green Economy is viewed as a system where income and employment are driven by public and private sector investments that reduce carbon emissions and pollution, enhance energy and other resource use efficiencies, prevent loss of biodiversity and ecosystem services and strives towards attaining social inclusiveness.

It should be noted that Guyana launched its low carbon economy development strategy in 2009. This framework focused on minimising greenhouse gas (GHG) emissions, particularly carbon dioxide (CO2) from key sectors while ensuring that the economy remains economically competitive both in key sectors and in the economy as a whole. This differs from the green economy framework in that while it focuses primarily on combating climate change by reducing greenhouse gas (GHG) emissions in all economic sectors, the green economy framework is all-embracing of the larger economy, including targeting changes in the patterns of production and consumption. As we
speak, the Government of Guyana is in the process of updating its 2009 plan by preparing a Green State Development Strategy.

It should also be noted that Barbados’ National Strategic Plan 2005-2025 provided government’s strategic vision for including environmental management with Goal 4 of the Plan specifically calling for – *Building a Green Economy – Strengthening the Physical Infrastructure and Preserving the Environment*. Barbados went on to prepare a Green Economy Scoping Study or GESS, in partnership with UNEP and UWI which produced the first study of its kind for a Small Island Developing State. Of note is the fact that during the completion of Barbados’ Scoping Study, the Social Partnership of Barbados (inclusive of public and private sectors and trade unions) in its Protocol VI covering 2010 to 2013 included specific reference to the green economy and provisions for broad stakeholder participation and inclusiveness in policy implementation.

With the successful completion of the GESS in Barbados, UNEP, in partnership with the CARICOM Secretariat and with the support of the European Union, completed Green Economy Scoping Studies in St. Lucia, Haiti and Jamaica, which means five CARICOM Member States give importance to employing Green Economic Policies.

Critical lessons learnt from the five Member States include that while green economic growth is relevant to all countries, the policies and approaches used will have to be tailored to specific national circumstances. Thus, the overarching priorities for CARICOM countries will remain, poverty eradication, employment, the provision of basic education, ensuring food security, and delivering essential services such as energy, water supply and sanitation. CARICOM countries are also heavily dependent on their
natural resources and they are vulnerable to the impacts of climate change. As such, economic development will depend on timely adaptation and the sound management of the natural resources that are a critical base for their economies.

It has also been recognised that **Innovation** will be a critical driver of green economies and job creation. Policies to accelerate the development and diffusion of clean technologies and related knowledge will be another key part of the policy mix. Again in the context of the ongoing UNFCCC climate change negotiations, the formalisation of the technology mechanism should be given special consideration in light of the circumstances facing the Caribbean and other SIDS. It will also be essential to remove barriers to trade in clean technologies as well as to encourage the entry of new firms, and improve the conditions for entrepreneurship, especially in light of the growing evidence that new firms represent a large source of more progressive innovations. There is also the need for more effective and inclusive co-operation on science, technology and innovation within and among CARICOM countries and even further within and among Small Island Developing States.

While green development can create opportunities for technological advances, jobs and skills development, there are several challenges which must be addressed for a successful transition to a green economy. These challenges include among other things:

1. The reallocation of capital and labour across economic sectors, while minimizing the adjustment costs that result.
2. Cases where in the broader international context that the “green economy framework” may be used inappropriately by some countries for trade protection.

3. That the Green Economy framework could be used by some countries to promote the access of their goods and services into markets of other countries. For example, concerns have been expressed by some developing countries in the WTO that some developed countries have been attempting to set standards for the elimination of tariffs on goods and services identified as “environmental goods and services”.

4. That environmental standards may be established for products that developing countries are unable to meet, resulting in a loss in their product market.

That being said, within CARICOM, there exists a good basis for transition to a green economy framework. The Revised Treaty of Chaguaramas, which guides the regional integration process and outlines the legal framework governing the Caribbean Community (CARICOM), includes a number of provisions that support sustainable development and, by implication, arrangements for a green economy framework. In addition, the Region has repeatedly reiterated its commitment to the 1994 Barbados Programme of Action, the 2005 Mauritius Strategy of Implementation and the 2014 SAMOA Pathway that address the sustainable development of SIDS.

At the sub-regional level, the St. George ‘s Declaration of Principles of Environmental Sustainability also provides the policy framework for initiatives in the Organisation of Eastern Caribbean States (OECS). Principles 8 and 16 of the Declaration address climate change and energy respectively, and these are
relevant to the key projects and programmes that are likely to drive the transition to a green economy in the OECS. CARICOM has also established a platform that builds on macroeconomic stability and resource efficiency. This has been effectively captured in the CARICOM Heads of Government 2007 policy paper “Towards a Single Development Vision and the Role of the Single Economy” which articulates the view that “The single vision is for sustainable development encompassing economic, social, environmental and governance dimensions”.

Other policy interventions at the regional level also play a critical role in advancing such a transition. Among these is sustainable energy.

1. For CARICOM, sustainable energy challenges include: improving energy efficiency and accelerating the availability of indigenous, renewable energy supply so as to ensure sustainable and affordable energy services for our respective populations through, among other things, a lowering of energy costs. Recognizing that CARICOM member states are well endowed with a multiplicity of renewable energy sources - wind, sunshine, rivers, biomass, maritime resources and geothermal sites; recognizing also the need to develop a coordinated regional approach to expedite the increased use of renewable energy and energy efficiency and chart a new, climate-compatible development path, a path that harnesses indigenous renewable energy sources, maximizes useful energy use, minimizes environmental damage, and spurs economic growth and innovation, CARICOM adopted its Regional Energy Policy in 2013 after a decade in development. To facilitate the process of translating intentions into action, the CARICOM Secretariat commissioned the development of a Caribbean Sustainable Energy Roadmap and Strategy or C-SERMS. This was designed to build on existing efforts in the region and to provide
CARICOM member states with a coherent strategy for transitioning to sustainable energy. A major goal of C-SERMS is the intensification of efforts to assess and develop firm renewable energy sources, especially those that can have a transformative and long-term impact on the energy and sustainable development landscape in CARICOM countries. Regional targets were set to move the region to 47% renewables as a share of energy capacity. C-SERMS also recommends a 33% reduction in energy intensity. To support the implementation of the regional energy transition, the Caribbean Centre for Renewable Energy and Energy Efficiency (CCREEE) has been established recently. It is intended to improve the quantity and quality of programmes and projects in sustainable energy, thereby delivering transformative benefits.

2. It would be remiss of me not to mention as a second policy intervention the blue economy and the use of the ocean as a sustainable energy resource. Over the last decade, the blue economy has gained momentum across the globe and the Caribbean region seems poised to embark on a pathway toward sustainable blue growth. By harnessing marine and coastal resources, Caribbean countries could not only boost growth, but also tackle some of the key challenges faced by their economies including high unemployment, low growth, food security, poverty as well as resilience to climate change. The current ocean economy within the Caribbean represents more than 17% of the region’s GDP. With the region’s growing population, demand for ocean resources (including seafood and aquaculture) will increase, shipping traffic and tourism will continue to grow, and new ocean industries will emerge. At the same time, the ecological processes of the sea are changing significantly due to human activities, resulting from overfishing, poorly planned coastal development and land-based sources of pollution (untreated effluents,
plastic litter) and climate impacts. There is increasing cognizance that advanced marine-based renewable energy technologies (mainly, offshore wind, ocean thermal energy conversion (OTEC) and seawater air-conditioning) can have a transformative long-term impact on the energy landscape within the region. We should however not forget that more than a quarter of the world’s conventional oil and gas reserves are located in offshore areas with some of the largest deposits to be found within the Atlantic Ocean off the northern coast of South America as has been seen in Guyana.

3. The 8th Special Meeting of the Caribbean Regional Fisheries Mechanism Ministerial Council approved a protocol to the Caribbean Community Common Fisheries Policy (CCCFP) entitled “Protocol on Climate Change Adaptation and Disaster Risk Management in Fisheries and Aquaculture”. The Protocol was promulgated in response to the urgent and ever-increasing threats to fishing communities, fishers and the health of marine ecosystems and associated fish stocks in the region caused not only by warming waters and climate change but also by the acidification of the oceans as a result of increased absorption of carbon dioxide from the atmosphere.

4. The Environment and Natural Resources Policy and its first Environment Action Programme 2017-2022, the preparation of which was completed at the end of 2015, are grounded in the Revised Treaty and present the broader vision and longer term strategy for the sustainable use and management of the Community’s environment and natural resources.

The policy seeks to:
Create an enabling framework for environmental management and natural resources management in CARICOM;

Inform the legal basis for effective environmental governance in support of the CSME;

Create a tool or framework for enhancing trade competitiveness, efficiency and long term sustainability in the productive sectors;

Create a framework for building/facilitating regional consensus in CARICOM; and

Create a framework around which national environmental regulatory regimes could be harmonized.

5. The Community agriculture policy which was adopted in 2011 has as one of its pillars the sustainable development of natural resources. Some of the objectives of this pillar include:

- Enhancing the environmental quality and natural resource base;
- Promoting sustainable forestry management; and
- Encouraging the most efficient use and management of non-renewable resources.

6. In addition, The CARICOM Secretariat, as part of its mandate from the Community, is undertaking similar policy development interventions within specific sectors related to the environment and natural resources management. This includes the water and wastewater sectors with the development of a common water framework and the natural resources
sector regional biodiversity strategy. These all seek to bring coherence to Member States’ action within the sectors and to coordinate national and regional interventions so as to obtain better results in particular with respect to improved environmental performance and governance.

At the national level, a number of CARICOM Member States have overarching policy frameworks in place that set the context for sustainable development and by extension a green economy framework. Several countries also have specific sectoral policies and initiatives that can provide the basis for the implementation of a green economy framework. That being said, in the foreseeable future, the following mechanisms will have to be prioritised:

(i) Member States will need to develop a supportive enabling environment based on economic incentives to foster green growth, taking into account the “time–gap” between short-term costs and long-term benefits of green investments which often requires collaborative action between governments and the private sector;

(ii) The development of infrastructure investment programmes based on the principles of sustainability, accessibility and social inclusiveness;

(iii) The development of a long-term plan to enable systemic changes to facilitate an integrated policy framework;

(iv) Development of policy frameworks to ensure greater resilience where domestic policies would facilitate and enhance the diversification in key economic sectors such as agriculture, energy and industry;
(v) The development of coherent climate change policies based on “no regrets” approaches which involve measures based on sound development practices.

Ladies and Gentlemen, as I indicated in my opening remarks, the CARICOM Region is at the frontline of the battle against climate change, a global phenomenon caused by activity to which our contribution is miniscule. We have advocated ceaselessly to the international community that a “business as usual” scenario threatens our very existence. We have tried to lead by example through our national and regional programming on climate sensitive, green economic policies.

There is no question in our minds whether adopting green economic approaches at the global level will redound to a more resilient and safer planet for all our people.

I thank you