

ALIDE Meeting of Chief Economists of Development Banks



Virtual Meeting

Impact of the COVID pandemic on
Caribbean economies and
Responses

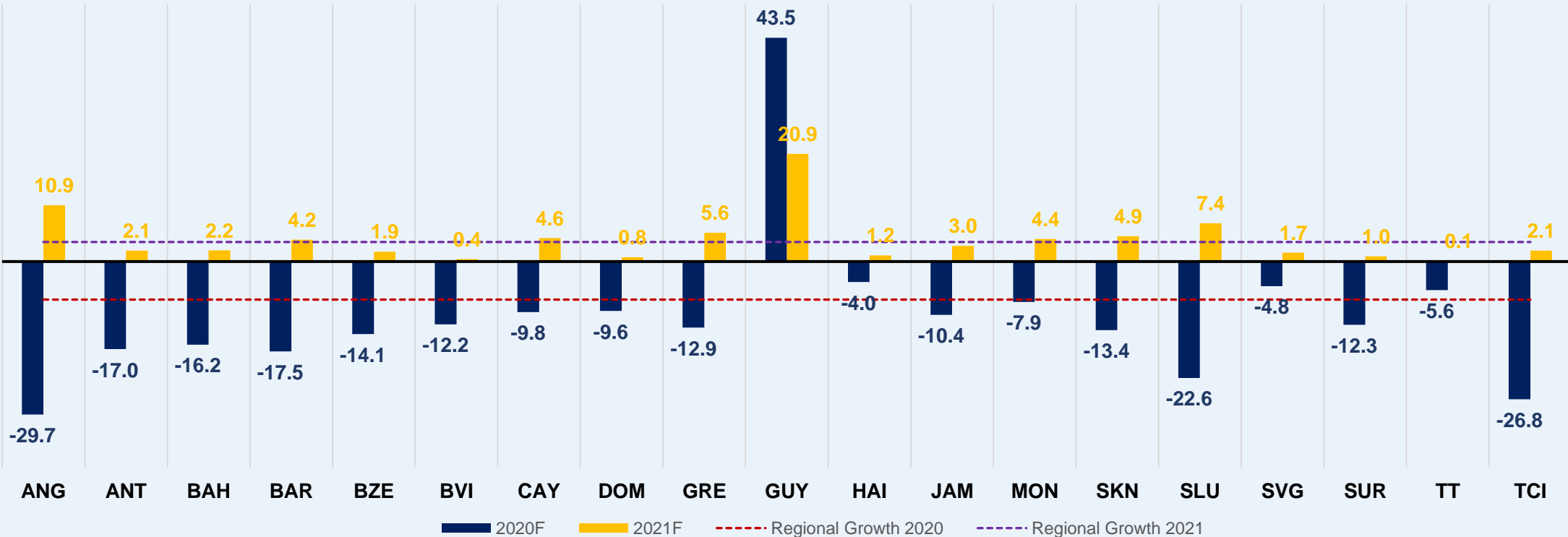
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Structure of presentation

1. The impact of the pandemic on economic and social sectors
2. Responses by countries and IFI support
3. CDB responses
4. The post-COVID policy imperatives

There will be no immediate recovery following COVID-19



COVID 19 generated a strong debt impulse due to heightened fiscal imbalance

Table 1: Debt to GDP Ratio Trend in Countries over 60% in 2019

Country	2015	2019	
Antigua and Barbuda	71.1	63.3	✓
Barbados	129.8	119.5	✓
Belize	80.5	90.6	⬆
Dominica	63.2	67.5	⬆
Jamaica	126.7	93.4	✓
St. Vincent	67.1	67.5	⬆
Suriname	43.6	83.1	⬆

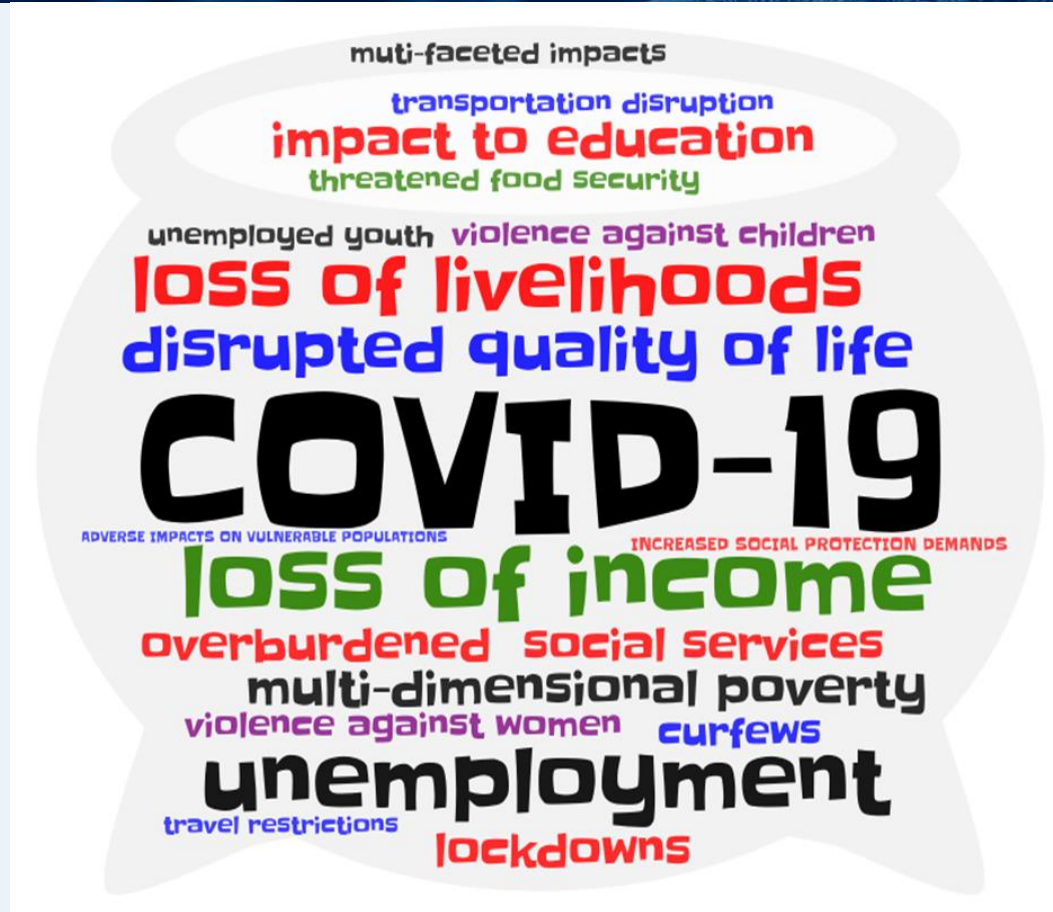
Table 2: Primary Balance (% of GDP)

Country	2019	2020 ^e
Anguilla	4.6	4.5
Antigua and Barbuda	-1.2	-2.3
Bahamas, the	0.8	-4.0
Barbados	6.1	1.0
Belize	-0.1	-7.7
BVI	-0.6	-6.7
Cayman Islands	2.5	-3.6
Dominica	-14.6	-8.1
Grenada	6.8	-2.5
Guyana	-1.5	-1.6
Haiti	-1.8	-5.9
Jamaica	7.1	3.1
Montserrat	-12.6	-5.1
St. Kitts & Nevis	4.1	-8.4
Saint Lucia	-0.9	-6.9
St. Vincent	0.1	-2.8
Suriname	-17.9	-19.0
Trinidad & Tobago	-0.1	-8.0
Turks and Caicos
Regional Average	1.5	-3.7

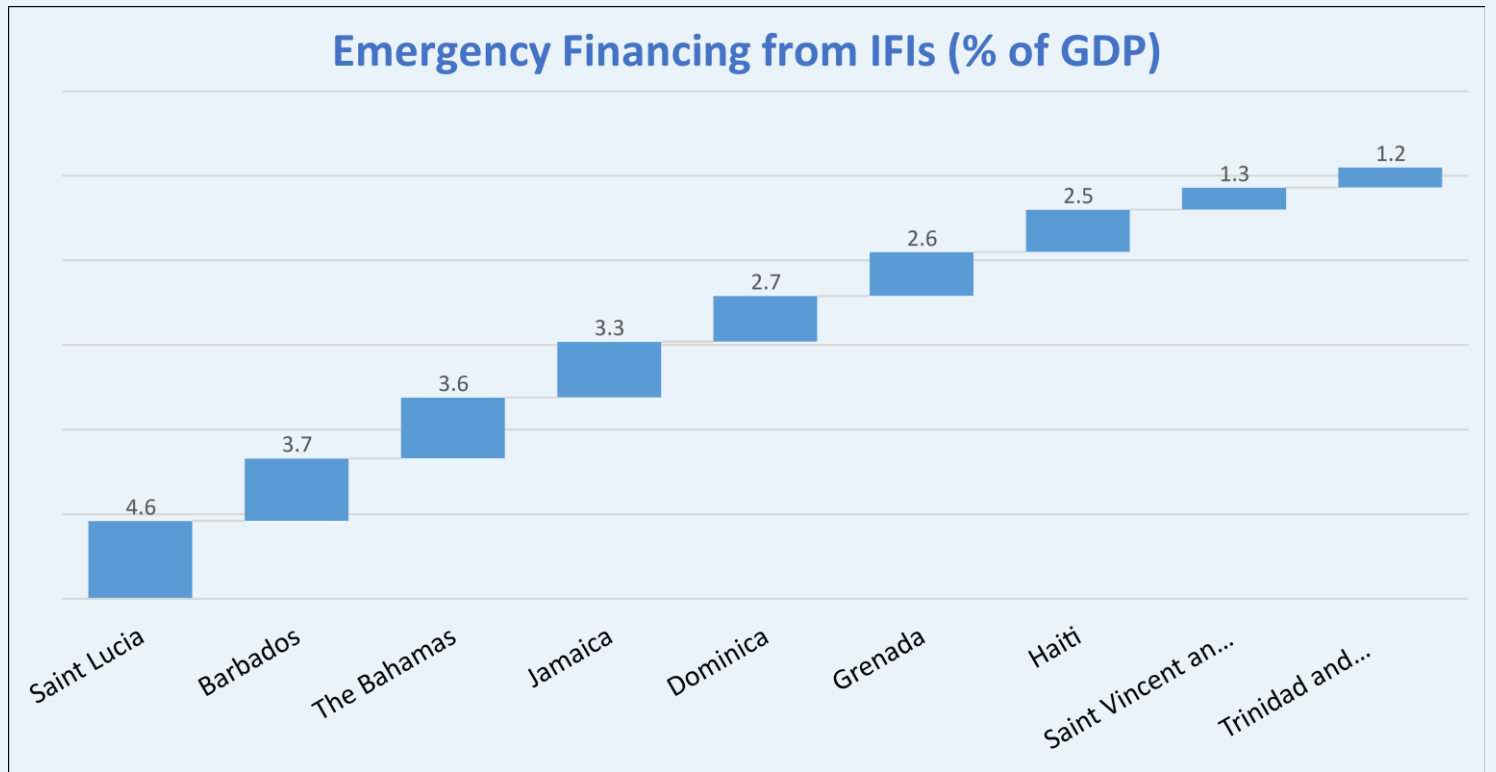
Table 3: Debt to GDP (%)

Debt (% of GDP)		
Country	2019	2020 ^e
Anguilla	47.5	63.8
Antigua	63.3	81.4
Bahamas	61	76.7
Barbados	119.5	149.6
Belize	92.6	112
BVI	11	14.1
Cayman	5.8	10.2
Dominica	67.5	83.3
Grenada	57.8	74.6
Guyana	32.6	26.3
Haiti	47.7	57.8
Jamaica	93.4	104.1
Montserrat	4.8	4.8
St. Kitts	57.3	76.7
St. Lucia	65.5	102.1
St. Vincent	67.5	79.6
Suriname	83.1	136.6
Trinidad	58.5	70.7
TCI	0.3	0.3
Regional Avg	65.2	81.1

COVID impacted more than our health systems.



Emergency financing for immediate response dictated actions in 2020.



Source: ECLAC 2021

CDB recognises a need to support today while protecting tomorrow.

Immediate Response

- Reallocation of resources to social safety net interventions
- Gender-responsive and mental health services
- Online learning
- MSME assistance (financing)
- Budget support to 8 BMCs

Recovery

- Socially-Inclusive, gender-responsive Social Protection Framework
- Effective , inclusive and resilient post-COVID education programmes
- Sustainable improvements in local production of food and finding local supply chains for agriculture

Improving Competitiveness to Build Resilient Economies for Strong Inclusive Growth in a Post-COVID Caribbean

Key features of Caribbean countries:

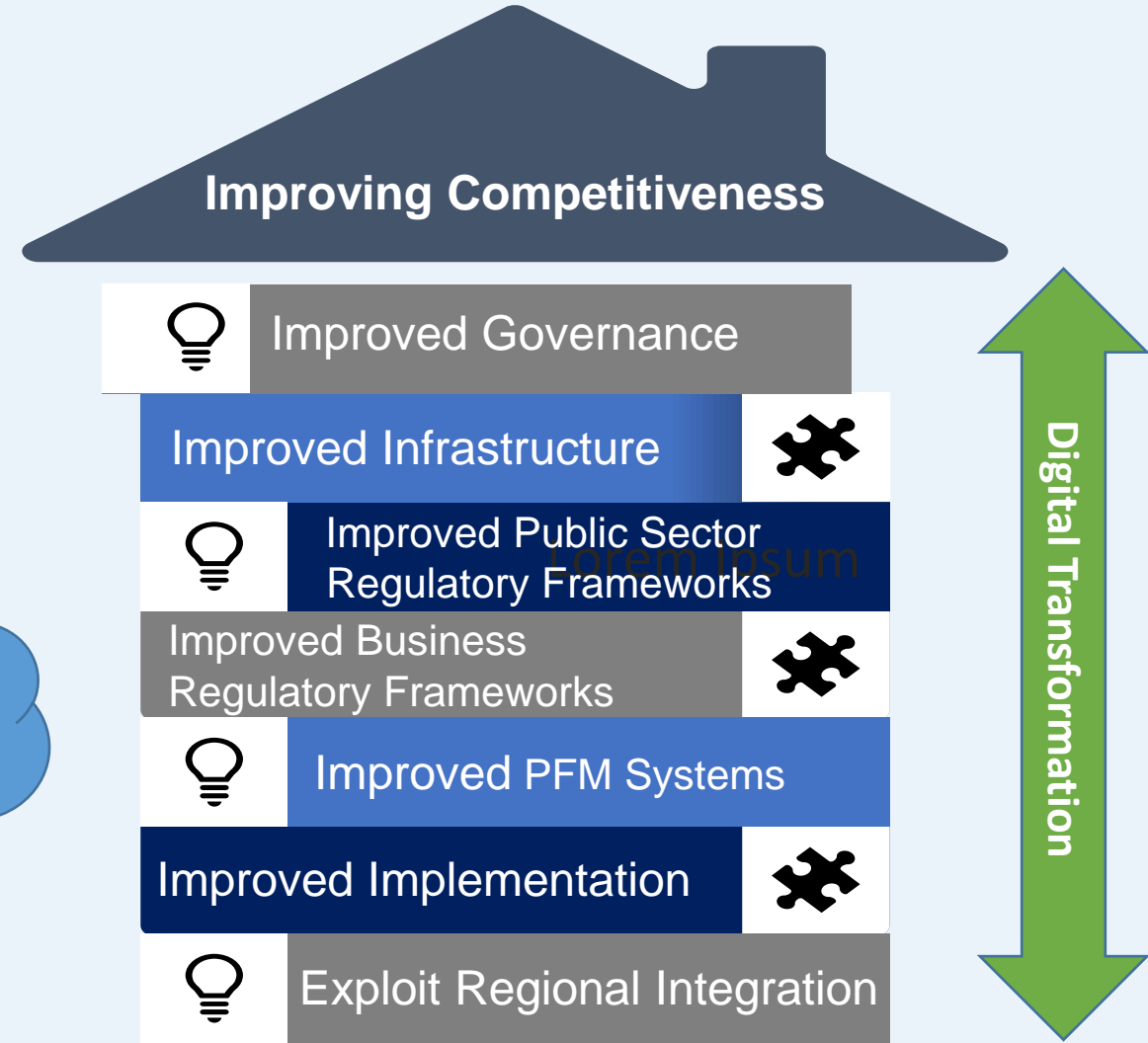
Small, open economies
No reserve currencies



Key Imperatives:



Export-led Growth
Exports must be diverse
Increased competitiveness



Thank you!

