



THE BLUE ECONOMY

A CARIBBEAN DEVELOPMENT OPPORTUNITY

DR JUSTIN RAM

Director of Economics, Caribbean Development Bank



LOW ECONOMIC GROWTH AND HIGH DEBT

Regional GDP grew at an average
0.4% annually from 2008-17

Median government debt rose to
64.3% of GDP in 2017



HIGH ENERGY COSTS

Energy tariffs for net importers are
3x tariffs in the United States

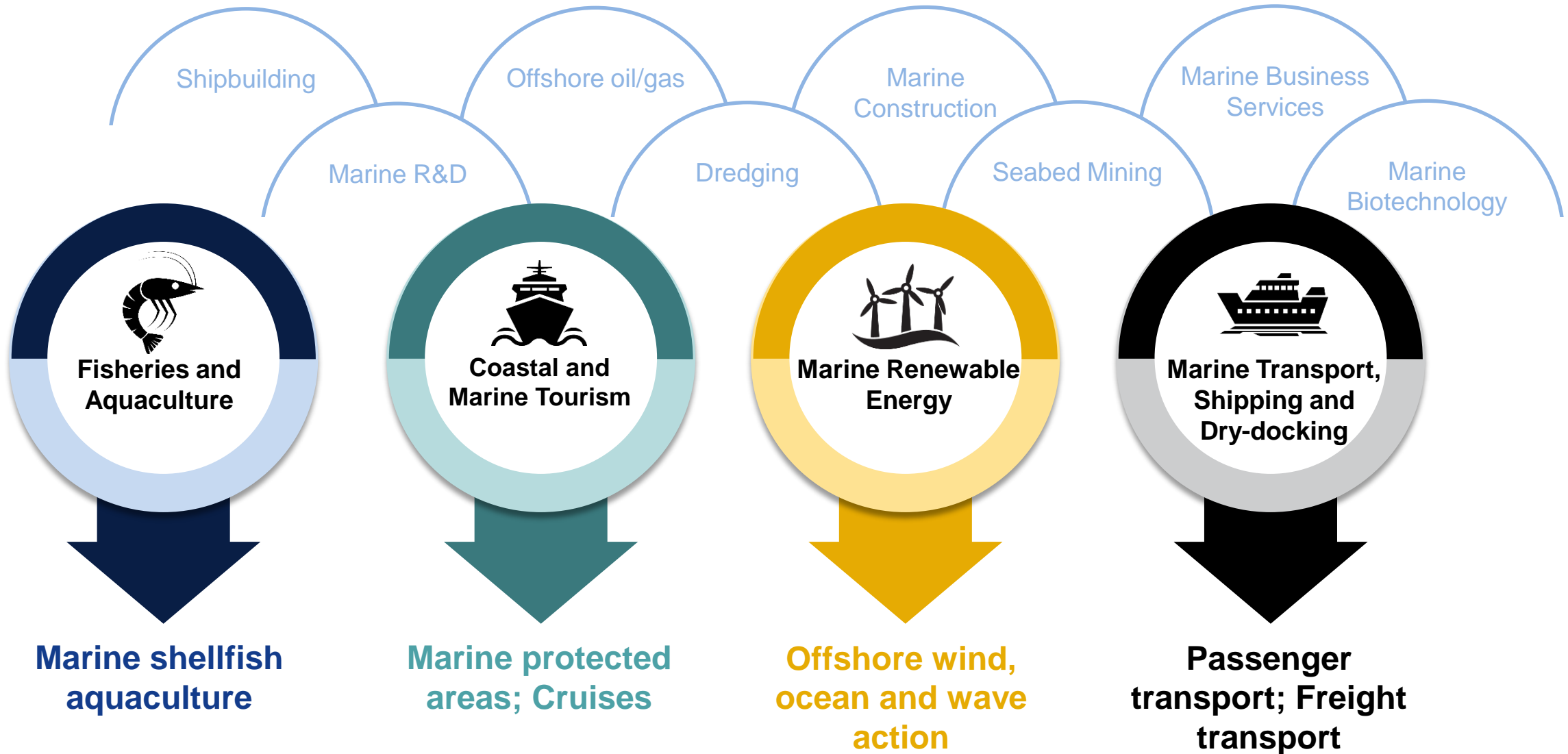
80% of the Region's energy
comes from imported petroleum



WEAK RESILIENCE TO EXTERNAL SHOCKS

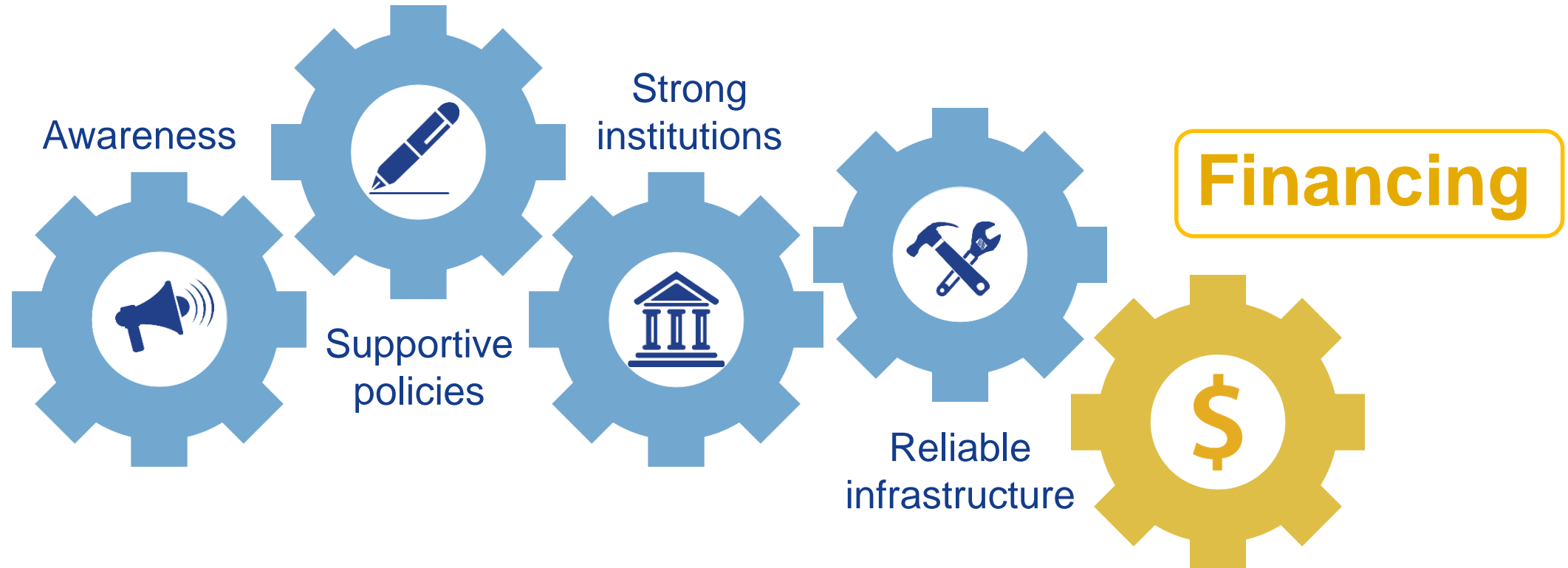
Natural disasters cost the Region on
average **2%** of GDP per annum

20% of the Region's aggregate
population lives in poverty





Key enablers:





Some new(er) financial strategies and instruments include:

BLENDED FINANCE



Strategic combination of public or development finance with private capital to enhance resources for investment

BLUE BONDS



Multilateral Financial Institutions and governments can issue “blue bonds” to fund investments in sustainable ocean and coastal activities

RECOVERABLE GRANTS



Grants that reduce the risk and upfront of costs of exploratory phases of projects. Often converted to a loan if certain conditions are met

DEBT-FOR-NATURE SWAPS



Sovereign debt is exchanged (at a discount) for in-kind investments in conservation interventions

See more at:

http://bit.ly/CDB_BlueEconomy





The Private Sector can invest in the Blue Economy through



PROJECT FINANCING
AND ENTERPRISE
DEVELOPMENT



KNOWLEDGE
TRANSFER AND
CAPACITY BUILDING



INNOVATIVE
MANAGEMENT AND RISK
REDUCTION PRODUCTS

