Roundtable: Next Steps
Caribbean Resilience Fund

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High-level meeting to advance consideration of the ECLAC Caribbean Resilience Fund

29 July 2022
Essential Characteristics of the Fund

The Fund should have the following essential characteristics:

- Fit for Purpose
- Inclusive
- Simple; Nimble
- Efficient; Effective
- Credible; inspire confidence in investors
- Self-Sustaining
- Supportive – offer capacity building-collaborate with other funds/agencies
- Data
Proposed structure of the CRF:
Consolidation of Growth and Resilience

CARIBBEAN RESILIENCE FUND

WINDOW 1
Resilience building
Sustainable Resilience?

WINDOW 2
Debt restructuring and
Liquidity enhancement

Adaptation and mitigation priorities
1. Energy security
2. Pooled and scaled up insurance
3. Water security and management
4. Agriculture and Food security
5. Nexus with tourism

Liability Management Operations
1. Green bonds arranged by Credit Suisse to purchase existing debt
2. New debt issue guaranteed by DFI
3. Maturity of debt extended, and debt service reduced 50%
4. Parametric insurance in the event of a disaster
Each window will offer a range of instruments to meet unique needs of member states including:

- Blended finance and syndicated loans
- Concessional finance for agriculture and food security
- Infrastructure bonds
- Green bonds for renewable energy and LMOs
- Credit guarantees
Housing the CRF

- Determine core institution to house the CRF
- Development system – Identify consortium of institutions with varying expertise to support management of the Fund
- Design fund strategy, structure and management plan to facilitate rapid access to finance and implementation
- The institution housing the CRF should be able to ensure that the essential characteristics of the Fund are met
National funding of the CRF to incentivize donors (skin in the game)
Raise capital from international financiers and donors
Diaspora bonds
Explore financing from available sources:
  - Multilateral institutions
  - Developed countries
  - Domestic capital markets
  - Official sources
Grant financing
Equity financing
Create a framework for scaling up the CRF to finance activities in the wider Caribbean

Engage CARICOM initiative and determine how CRF can fit into their existing development pillars

Establish a sound legal and regulatory framework to govern the operations of the Fund

Build capacity to generate additional resources

Start small: Create the Fund beginning with the resilience window and as it shows success it will incentivize additional funding. It should be set up with the potential for adding windows in the future.

Focus on process: scope, programs and projects, housing the fund and convoking technical working groups to drill down on the details of the structure and functioning of the Fund.

Develop theory of change to explain the nexus between resilience and economic growth

Form core group of key institutions to advance the initiative