

19TH PEP MEETING

DURBAN, SOUTH AFRICA

SNAPSHOT OF SAINT LUCIA

1. Low Economic Growth Rates

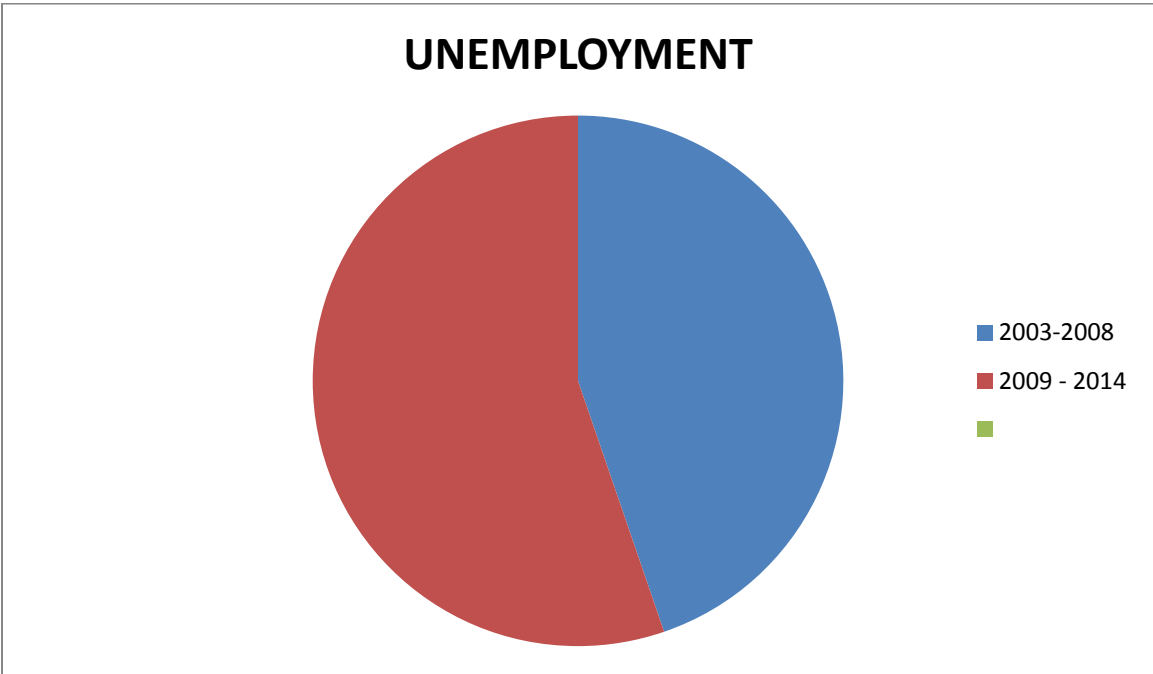
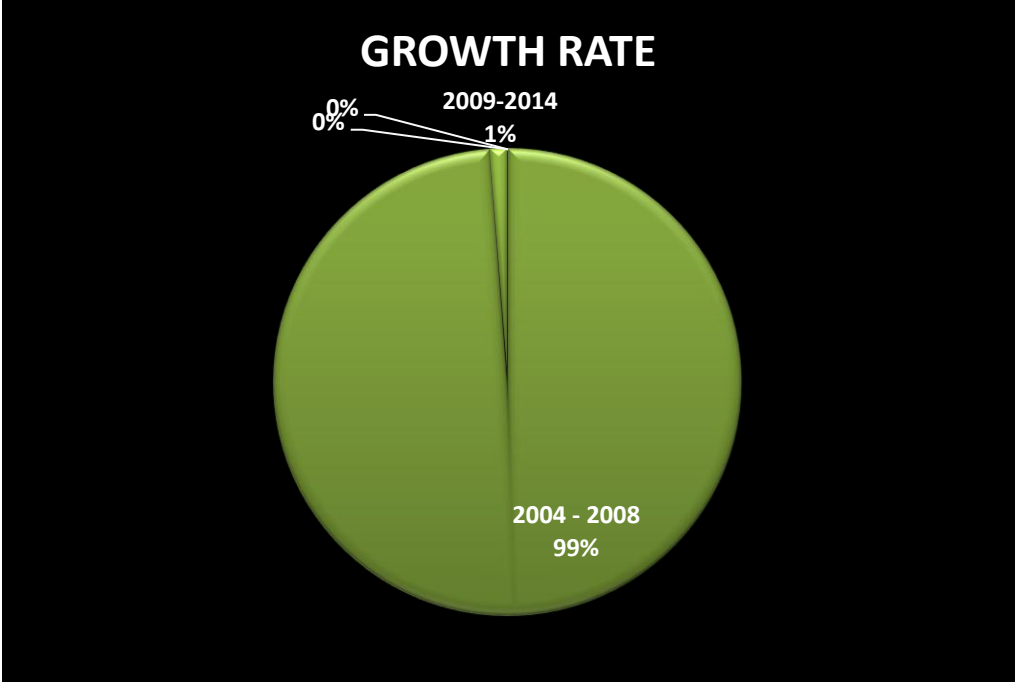
- Buoyant growth in the 1980s (thriving banana industry)
- Loss of preferential access (UK Market)
- Decline in direct financial aid (Car'bean phenomenon)
- For the past fourteen (14) years economic growth has averaged a mere 1.2% per annum
- Growth has not been consistent – the nation has experienced tempered growth

2. Persistently high unemployment

- Expansion of the labour force since 1992
- Youthful labour force
- Economic shocks – major decline in the agricultural output – increased unemployment
- Persistently high unemployment – rural employment mostly affected

3. High vulnerability

- Damage and loss - Hurricane Tomas 2010; Christmas Eve Trough 2013
- Combined losses/damage – 40% of Saint Lucia's current annual economic output
- Further damage to the agricultural and productive sectors
- Damage to infrastructure (intended to facilitate economic activity)
- Increased spending on Reconstruction and Recovery efforts; replacement of infrastructure, plant and equipment



4. Fiscal deficits and high debt levels

- High level of borrowing
- Government spending much more than it earns in revenue
- Increase in the debt burden
- More government revenue going towards debt repayments

MAJOR ENVIRONMENTAL AND POVERTY CHALLENGES AND OPPORTUNITIES:

- ✓ Articulating priorities given the existing realities and global challenges
- ✓ Competing interests
- ✓ Improvement in education campaigns at the grassroots level
- ✓ Enactment and enforcement of requisite policies; creating the legislative environment for the facilitation of green economy (for example, the employment policies that support green growth)

MAJOR URBAN ENVIRONMENTAL AND POVERTY ISSUES:

- ✓ Land tenure
- ✓ Pollution (waste, water)
- ✓ Emigration (issues of overcrowding) - issues for Urban Planning
- ✓ Demographic trends - growth of the ageing population
- ✓ Labour force and productive sector
- ✓ Rising unemployment (youth unemployment)

EFFORTS IN ST. LUCIA FOR GREENING THE ECONOMY:

- Establishing the institutional framework
 - ✓ Strengthening of the Sustainable Development Portfolio (Emergence of a Department specific to Energy)
 - ✓ Engagement of the business sector in promoting alternative energy
 - ✓
- Advancement in the Water Sector
 - ✓ Water Treatment (Treatment of waste water at one of the hotels in the south of the island which consumed on an average 14% of the water for a given region)

- New focus on the Energy Sector
 - ✓ Reform the Energy sector to lessen our reliance on fossil fuels and to reduce the cost of electricity to consumers; creating alternative forms of energy particularly for the poor and vulnerable
 - ✓ Vision 2020 – to achieve 35% of our generation of electricity from renewable sources - achieving the overarching goal of transitioning to a cleaner, more sustainable energy future
 - ✓ Pilot legislation for the establishment of a multi-sector regulator for the energy and water sectors
 - ✓ The establishment of a new National Utilities Regulatory Commission to replace the Water and Sewerage Commission (making it more inclusive, and to allow for the independent regulation of the electricity sector)
 - ✓ Granting of licenses to independent power producers and consumer rights protection
 - ✓ Amending the existing Electricity Supply Act (currently gives LUCELEC an 80 year monopoly for the generation, transmission, distribution and sale of electricity)
 - ✓ Conduct of energy audits of existing Government owned buildings (retrofitting of premises with energy efficient systems
 - ✓ Replacement of all lights at the Government owned building to energy efficient LED fixtures
- Enactment of a National Social Protection Policy under the general umbrella of the Social Safety Net Reforms process
 - ✓ Labour market strategies (focusing on income security, education and skills systems)
- Advancement in the Agricultural Sector
 - ✓ Food Security as a priority
 - ✓ Water Harvesting
- Exploration of alternative sources of energy
 - ✓ Geothermal energy
 - ✓ Hydro power
 - ✓ Solar energy (incentives for solar water heaters/solar panels)
- Building Codes and structural imperatives
 - ✓ Photovoltaic systems
 - ✓ LED lighting

LINKS BETWEEN GREENING OF ECONOMY AND POVERTY REDUCTION IN SAINT LUCIA

- ✓ Need for greater focus on the social dimensions of development;
- ✓ Need for synergies and collaboration amongst sectors to cement the concept of a green economy
- ✓ Agricultural Sector – Food Security
- ✓ Avoiding Risks – Climate Change, Eco-system (conservation) – effects on tourism sector

MOVING FORWARD:

- ✓ Revisit the NPRS and Action Plan and focus on mainstreaming
- ✓ Collaborate with is the National Climate Change Committee to undertake a holistic analysis and plan of action for green economy
- ✓ Mainstreaming Green Economy into budgeting processes, Post 2015 Agenda, BNTF 7 – PRAP
- ✓ Draft National Development Plan (now incorporating the mainstreaming of Climate Change; economic growth and environmental sustainability; social inclusion
- ✓ Draft National Social Protection Policy