



**STATEMENT BY THE GOVERNOR FOR THE UNITED KINGDOM
THE RIGHT HONOURABLE ANDREW MITCHELL, MP**

The United Kingdom thanks the Caribbean Development Bank (CDB) and Canada for hosting this year's Annual Meeting under the theme, **'Partnerships for Resilient Prosperity'**.

Caribbean countries remain important partners and friends to the UK. We greatly value our relationships across the region and look forward to close and valuable conversations as part of these Annual Meetings.

The region's poor and vulnerable have faced multiple crises over recent years, including coronavirus, Russia's illegal invasion of Ukraine, and significantly, climate change. As the recent UN Small Island Developing States Conference highlighted, countries like those in the Caribbean are uniquely vulnerable, facing specific challenges in accessing affordable finance and in managing debt. Amid all this, the Bank is playing a critical role in providing predictable and substantial long-term financing and technical support.

These Annual Meetings come at an important time for the Bank as it develops its new long-term strategy, which will provide the framework for future Special Development Fund (SDF) cycles. The UK welcomes the conclusion of the leadership investigation. We firmly believe that it is incumbent on the senior leadership of international organisations to set and maintain the highest standards for integrity and ethics. The Board's role is to ensure that this is the case and to take appropriate action to protect the integrity and reputation of the institution. The deliberations of the Board of Governors should be confidential. We are disappointed that

details of the independent investigation and the views of some member countries have been so publicly aired in the media.

Lessons must now be learned in response to the recent investigation, and this should begin with haste. Now is the time to renew commitment to strong governance, which underpins the credit rating of the Bank and its ability to provide concessional support to its Caribbean members. Recent events have highlighted the importance of good governance and clear and robust procedures and process. A governance review - drawing on external advice and best practice from other development banks - should be prioritised to ensure that the CDB is best in class.

Last November, the UK published its International Development White Paper to set out how we will partner to build a bigger, better, and fairer international financial system. The UK is committed to working with partners to end extreme poverty, tackle climate change, address fragility and conflict, prevent biodiversity loss, and empower women and girls.

Consistent with these objectives, the UK has called for the following as part of replenishment negotiations for SDF 11 and in preparation for the Bank strategy:

- a. Greater focus on resilience to shocks, particularly from climate, with clearer sectoral focus on areas of comparative advantage (such as infrastructure and agriculture)
- b. Higher climate ambition with a target of at least 40% of approvals and at least half of that target for adaptation.
- c. Improved planning and preparation of the “pipeline” for new investments using targeted technical assistance and better management for project preparation and delivery (including improvement in delivery of the current SDF cycle and full programming and disbursement of funds from previous cycles);
- d. Concessional resources to remain prioritised for the poorest countries and those most in need;
- e. A conflict sensitive offer for Haiti, the poorest, most fragile country in the region, in coordination with other development partners; and
- f. Stronger partnerships with other development actors, including with the Inter-American Development Bank Group to collaborate under its ‘One Caribbean Framework’ and with IDB Invest as it expands regional operations.

The UK continues to value its partnership with the CDB as a founding member and welcomes collaboration with other members in support of the Bank, as it delivers its critical mission.