Is the Caribbean aiming to ‘build back better’ from COVID-19?

Nicole Leotaud & Aditi Thanoo, Caribbean Natural Resources Institute (CANARI)
June 2022

Public investments in COVID-19 recovery present strategic opportunities to rethink and reimagine Caribbean development, and prioritise attention to delivery of the Sustainable Development Goals (SDGs) and transformation to more environmentally sustainable, inclusive and resilient economic development. The Caribbean Natural Resources Institute (CANARI) assessed 446 public sector COVID-19 recovery initiatives in six Caribbean countries and at the regional level and mapped to what extent these were designed to contribute to: (1) Transforming economic governance, (2) Supporting fairness, inclusion and justice in economic development, (3) Supporting environmental sustainability while recognising and managing trade-offs, and (4) Enabling a low-carbon transition and building resilience to address multiple risks. While important priorities are being addressed, gaps remain and worryingly some initiatives will take the region backwards. CANARI hopes that this research will stimulate and support informed and open dialogues across Caribbean societies to encourage a more inclusive approach to identifying recovery priorities, jointly designing and implementing initiatives, and transparent monitoring and evaluation for accountability.

Caribbean COVID-19 recovery initiatives

Impacts of the COVID-19 pandemic in the Caribbean have brought to the fore socio-economic and structural inequities and underlying governance issues related to accountability, transparency and shared decision-making, highlighting the need to rethink our economic development and governance models. Rhetoric has emerged globally on the need to ‘build back better’ and ‘rethink’ or ‘reimagine’ how we can transform development. But are Caribbean leaders and governments committed to this call and designing COVID-19 recovery initiatives to deliver this transformation?
To start to assess this, the Caribbean Natural Resources Institute (CANARI) has conducted desk research which identified 446 public sector COVID-19 recovery initiatives in six Caribbean countries (Antigua and Barbuda, Barbados, Jamaica, Guyana, Saint Lucia, Trinidad and Tobago) and at the regional level (see Figure 1).

The research looked at publicly announced COVID-19 recovery initiatives which are part of medium-term economic stimulus packages, as well as longer-term economic transformation. The research did not examine initial rescue or relief measures (e.g., household assistance, business tax relief) nor did it examine the results of implementation of initiatives, merely the expressed intention (focus, goal or objective).

**Defining building back better**

But what does it mean to ‘build back better’ from COVID-19? Within the context of the 2030 Sustainable Development Agenda, CANARI identified priorities for COVID-19 recovery under four broad principles:

1. Transforming economic governance
2. Supporting fairness, inclusion and justice in economic development
3. Supporting environmental sustainability while recognising and managing trade-offs
4. Enabling a low-carbon transition and building resilience to address multiple risks

Drawing on international frameworks, but focusing on specific Caribbean context and priorities, CANARI developed eighteen indicators under these four principles (see Figure 2). These indicators can be applied to assess the contribution of Caribbean COVID-19 recovery initiatives to ‘building back better’.

**Figure 2: CANARI’s 4 principles and 18 indicators for ‘building back better’ from COVID-19 in the Caribbean**

<table>
<thead>
<tr>
<th>Transformed economic governance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mechanisms are put in place for participatory, bottom-up and decentralised economic decision-making and monitoring, including development and monitoring of COVID-19 recovery plans and national development plans</td>
<td></td>
</tr>
<tr>
<td>2. Mechanisms are put in place for cross-sectoral collaboration and partnerships at the national level to mobilise knowledge and resources for recovery actions</td>
<td></td>
</tr>
<tr>
<td>3. Mechanisms are put in place for Caribbean cooperation (e.g., on intra-regional trade and investment, knowledge sharing) and joint actions to support a just and sustainable transition</td>
<td></td>
</tr>
<tr>
<td>4. Transition to green, inclusive and resilient economic development supported by financing and fiscal mechanisms (e.g., green public procurement, green trade, green investment, public expenditure reviews, tax reform, decentralised funding, debt for nature/climate swaps and other innovating financing instruments)</td>
<td></td>
</tr>
<tr>
<td>5. Digitisation and technological innovation used to support recovery</td>
<td></td>
</tr>
<tr>
<td>6. Development and use of comprehensive wealth accounting systems (incorporating human, social, natural and financial/physical capitals)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Environmental sustainability</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>7. Enhanced efficiency in use of water, land and materials, and management of pollution and waste to protect environmental quality</td>
<td></td>
</tr>
<tr>
<td>8. Nature-based solutions used to deliver development and climate benefits through restoration, protection and/or sustainable use of natural ecosystems and biodiversity</td>
<td></td>
</tr>
<tr>
<td>9. Environmental sustainability concerns mainstreamed in key economic sectors</td>
<td></td>
</tr>
</tbody>
</table>
10. Ecosystem-based approaches used to manage multiple uses of ecological systems at the landscape/seascape/transboundary level

**Inclusion**

11. Support for development and strengthening of local small and micro-enterprises (SMEs), including in the use of environmentally sustainable practices and access to basic services and resources

12. Support for development and expansion of livelihoods and reskilling strategies to engage in new and growing green economic sectors, with a focus on the income poor and informal workers for a just transition

13. Strengthened social protection systems to support informal workers and other at-risk groups, using a gender sensitive approach

14. Redesign of education, health and social development systems supports inclusion, equity, wellness and well-being of citizens

**Resilience**

15. Development of and/or enhanced access to renewable energy and energy-efficient technologies for carbon reduction/climate mitigation

16. Development of and/or enhanced access to climate resilient infrastructure (including via the use of building and transport standards) to support basic services, livelihoods and the wider economy

17. Measures taken to adapt and build resilience of communities and economic sectors to climate change and natural disasters, with a focus on the most vulnerable groups and SMEs

18. Measures taken to protect citizens from environmental, health and economic disasters are reaching all sectors of society including the most vulnerable

**Caribbean recovery priorities - The focus and status of initiatives**

CANARI found that forty-one percent (249 initiatives) of the 446 COVID-19 recovery initiatives addressed the principle of inclusion, with only 17% (102 initiatives) addressing environmental sustainability (see Figure 3).

Eighty-eight percent (394 initiatives) of the 446 COVID-19 recovery initiatives were directed at ten sectors: micro, small and medium enterprises, agriculture/fisheries, climate/disaster resilience, renewable energy, tourism, green economy, blue economy, environment (inclusive of protected areas and ecosystem restoration), digitisation/technological innovation and social development (inclusive of gender and youth) (see Figure 4).
The status of initiatives varied: 11% were existing programmes/projects, 23% were at the stage of action being taken, 25% had specific budget commitments, 17% were policies/plans/proposals, but 24% were still only recommendations.

Assessment of the 446 initiatives for COVID-19 recovery in the six countries and for the Caribbean region found that many were designed to support ‘building back better’ from COVID-19. But gaps and opportunities were also identified.

The first area was in the strength of the focus on delivering the priorities. Overall, while 40% of the 446 initiatives showed strong linkages to the indicators, 50% had medium or weak alignment, 5% were ambiguous and 4% were ‘brown’ and would have a negative impact (e.g., initiatives to expand mass tourism and expand or upgrade the fossil fuel sector) (see Figure 5).
A way forward

These findings from research by CANARI suggest that Caribbean countries are making progress towards aligning COVID-19 recovery initiatives with building back better to address priorities for economic transformation, environmental sustainability, inclusion and climate resilience and delivery of the 2030 Sustainable Development Agenda. But important gaps remain, and challenges remain in moving from ideas to action and delivering meaningful results. CANARI aims to highlight these findings through upcoming policy brief series and national dialogues.

Even as Caribbean governments continue to grapple with the challenges brought on the region by COVID-19, and strive to move forward, CANARI hopes that its research will stimulate and support informed and open dialogues across Caribbean societies to encourage a more inclusive approach to identifying recovery priorities, jointly designing and implementing initiatives, and transparent monitoring and evaluation for accountability as we ‘build back better’.

This research and article were produced by CANARI with financial assistance of the European Union (ENV/2016/380-530), the MAVA Foundation and the Open Society Foundations. The contents are the sole responsibility of CANARI and can under no circumstances be regarded as reflecting the position of the European Union, MAVA Foundation or Open Society Foundations.