

Caribbean Disaster Risk Financing Technical Assistance Program

Context and Objectives

Caribbean countries are exposed to high levels of risk from climate change and geophysical hazards, which have significant negative impacts on their economic and fiscal stability. These natural hazards are being exacerbated by intensifying hazard patterns and increasing stress on water availability, coastal investments and livelihoods. Within the Caribbean, direct damages due to natural disasters have averaged almost US\$ 1.6 billion per year over the last 20 years. Many very severe events – including the 2010 earthquake in Haiti – have resulted in annual damages exceeding US\$ 8 billion. The high costs of recovery and reconstruction have resulted in increased debt, unsustainable budgetary deficits and unreliable funding streams for many countries in the Caribbean. Absence of macroeconomic stability makes it harder for countries to implement poverty reduction policies.

The Caribbean Disaster Risk Financing Technical Assistance (DRF-TA) Program is supporting Caribbean countries in the understanding and quantification of sovereign contingent liabilities to natural disasters and the development of an integrated disaster risk financing framework for countries, in order to support them in improving their financial resilience. The Program builds on key lessons learned from previous DRF TAs conducted in [Belize](#)¹, [Grenada](#)², [Jamaica](#)³ and [Saint Lucia](#)⁴, financed by ACP-EU Natural Disaster Risk Reduction (NDRR) Program.

Main Activities

- Analytical work in understanding risk and identifying areas for strengthening financial protection
- Development of shock-response social protection mechanisms in Saint Lucia
- Training of Caribbean Educational Institutions in Mainstreaming DRF into DRM Curricula
- South-South Knowledge Exchange

Results

This project is in its inception phase.

¹ <https://www.gfdr.org/en/belize-disaster-risk-financing-technical-assistance>

² <https://www.gfdr.org/en/grenada-disaster-risk-financing-technical-assistance>

³ <https://www.gfdr.org/en/jamaica-disaster-risk-financing-technical-assistance>

⁴ <https://www.gfdr.org/en/saint-lucia-disaster-risk-financing-technical-assistance>

Partnerships and Coordination

Activities in this program will be coordinated with those financed by other development partners, including the United Kingdom's Department for International Development (DFID). Focal points in EU

delegations in countries will be kept updated, complementary activities will be discussed and coordinated with other donors as well.

Country

- Bahamas, Barbados, Saint Lucia and Trinidad and Tobago

Region

- Caribbean

Caribbean Regional Resilience Building Facility component

- [Regional Technical Assistance Facility to Mainstream Resilience](#)

Amount approved

- \$300,000

Co-financing

- \$0

Duration

- 01/2020 - 10/2021