

The View from Europe
By David Jessop

Climate change and the Caribbean economy

Whether you believe that global warming is caused by human activity, is in one or another way cyclical, or is a complete myth, there is sufficient scientific evidence to show that the world's weather is changing, the seas are warming, sea levels are rising and the Caribbean is at risk.

According to the Belize-based Caribbean Community Climate Change Centre (CCCCC), Caribbean Sea temperatures are already showing a 0.8°C increase and will rise further by the end of the century. To monitor such changes more closely they have recently introduced offshore buoys around the region.

Other warnings from the CCCCC suggest that low-lying countries like Guyana and Belize are most likely suffer the greatest losses in absolute terms; that the costs within Caribbean could run to 14 per cent of GDP by 2025, increasing to 39 per cent by 2050 and 63 per cent by 2100; and that rising sea levels and temperatures may present, in some cases, insurmountable challenges to food security, tourism, and health.

The figures are stark. Of the region's 40m population, 70 per cent live in coastal areas. Tourism, which almost entirely depends on coastal resources, represents for many states up to 70 per cent of GDP, and commercial agriculture, which accounts for much of the rest, is equally dependent on the climate. According to the CCCCC, farmers would experience a reduction in production of rice, beans and maize of between 12 and 20 per cent if there were to be a 2°C rise in atmospheric temperature.

Despite this, it is far from clear whether the Caribbean as a whole is prosecuting its case effectively, is doing enough to co-ordinate its position with others, or has a strategy to take advantage of the opportunity it potentially has to benefit from continuing global discussions on a new legally binding climate change agreement in 2015.

This is puzzling as the Caribbean, one of the world's low or no carbon emitting regions, has an unusually strong case for support. It is likely to suffer most as a result, and as a consequence, it potentially ought to benefit most from a global consensus on the relationship between carbon emissions and global warming.

However despite the weight of scientific evidence and the fact that climate change is observable in some parts of the region, Governments remain reactive and, struggling with austerity, seem unable to give the matter the priority the region's economic case deserves.

Earlier this year the International Monetary Fund (IMF) published a report that made clear that the Caribbean is one of regions most likely to experience a climatic disaster. It noted that the six nations of the Eastern Caribbean ranked in the top ten most at risk countries by land area and population and that the rest of the Caribbean was not far behind. It pointed out that throughout the 2000s the Caribbean has experienced average losses equivalent to almost 1.3 percent of GDP in damages each year.

The report concluded: 'given the exceptionally high costs of natural disasters, small states in the Caribbean should be seen as frontline candidates for support from climate-change funding, as global strategies for mitigation and adaptation to climate change become operational.'

If the Caribbean is to achieve this it has to become much more closely engaged in the detail, and in developing a high level political dialogue with, for example, the Europe Commission and nations in Europe such as the United Kingdom that are willing to be supportive internationally of the Caribbean's position.

It also means that in hemispheric fora the Caribbean should be doing more to encourage recognition of its case and be more active in forging the alliances necessary to benefit from the tortuous United Nations-led negotiating process aimed at achieving global agreement on levels of emissions and support for those nations most at risk.

One important initiative now underway that is aimed at determining how to achieve this is being led for the Commonwealth by Bharrat Jagdeo, Guyana's former President. In the run up to the meeting of Commonwealth Heads of Government in Sri Lanka in November, he is chairing a new Commonwealth group on climate finance which is exploring how best to unlock resources to enable small climate-vulnerable countries to combat climate change. The objective is to press the international community to identify practical solutions for the most vulnerable nations.

In this context reported remarks made recently in Jamaica by Robert Pickersgill, the island's Minister of Water, Land, Environment and Climate Change, point to one of the many difficulties that will arise in achieving resource transfers to regions like the Caribbean. He pointed out that if the region is to benefit fully, its graduation to being middle income nations needs to be addressed, and that its heavy indebtedness warrants greater access to concessionary loans, grants, and debt-for-equity swaps.

Some countries, however, are not waiting and have begun to take pre-emptive action. In Cuba the response has been direct. In a report for government, scientists suggested that seawater would penetrate up to 2km inland in low-lying areas by 2100 and that this would seriously damage 122 towns, submerge beaches, taint freshwater sources, and render agricultural land infertile. In response, Cuba has decided that the best and most viable response is to restore much of the coast to near to its natural state by demolishing buildings and creating a coastal buffer zone.

Despite scientific evidence to the contrary, scepticism about climate change has in recent years gained wider global credence. More recently the issue has become highly politicised in the United States and an ever more sensitive subject touching on the rebalancing of economic power between developed economies and emerging powers such as China and Brazil.

For the Caribbean, a low carbon emitter, dependent on the environment for its future prosperity and most at risk from climate change, this may not be good news; but it is no reason why the region should not be more actively forging alliances, and making clear that it must be a major economic beneficiary from any final climate change settlement.

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