

CLIMATE INVESTMENT FUNDS

May 31, 2017

[Approved by mail]: Caribbean-Saint Lucia- Supporting climate resilient investments in the agricultural sector in Saint Lucia- (PPCR, PSSA) (IDB) (PPCRLC506A) – IDB Responses to US Comments

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The problem is not the lack of markets, in fact there are several great opportunities.

The principal issue the producers have is the lack of organization and production planning to respond to the market needs in quality, quantity and on timing. Three hotels are going to be built in the South of the island. One will be in Black Bay and construction is scheduled to start in January 2018.

Unfortunately, 8 of their farmers have to be relocated. Agriculture has been performing dismally in the past and Black Bay Farmers Co-operative through this Project has an opportunity to create significant livelihoods in the sector. With market led production the credit line will be fully utilized to have producers meet the demands of the market. The market exists. Producers have just not positioned themselves to fully access the market. This Project will help in this regard.

Also please see responses provided to similar comments raised by other donors that can clarify some of the questions raised.

On the issue regarding the parametric insurance scheme proposed, please see responses provided to other donors that have raised similar questions. The responses should clarify the concerns reflected here