

GOVERNMENT OF THE UNITED STATES VIRGIN ISLANDS

**Hearing on the Economic Impact of Climate Change on
the U.S. Virgin Islands**

Committee on Economic Development, Agriculture and Planning

31st Legislature of the Virgin Islands

April 1, 2016

Testimony by Shawn-Michael Malone

Federal Affairs Coordinator

This cover page is not part of the testimony, and was inserted to enable identification of the legislative session at which the testimony was presented.

Testimony before Senate Committee

Good afternoon Chairman Millin-Young and other members of this committee on Economic Development and Planning.

My name is Shawn-Michael Malone, Federal Relations Coordinator for the Hon. Governor Kenneth E. Mapp. I am joined by members of the Governors advisors on Climate Change - Dr. Laverne Ragster, Mr. Roy Watlington, Mr. Lloyd Gardener, Dr. Kostas Alexandridis, Dr. Wayne Archibald, Mr. Jean Pierre Oriole and Ms. Kasey Jacobs of the CLCC {Caribbean Landscape Conservation Cooperative}. I would like to take this time on behalf of a grateful Mapp/Potter Administration to publicly thank these men and women who have volunteered selflessly their expertise to assist our government with the establishment of this most important issue of our time.

Inspired by a meeting on Climate Change in Guam last May, Governor Mapp upon his return to the Territory immediately went to work to implement his desire to begin. The important work on climate change. The Governor's office of Federal Relations was then created with this to conduct climate change planning and coordination. The office is staffed with two persons: Mrs. Angela Belfon and me. The office was established on June 20, 2015. In October of 2015, the Governor made it official issuing Executive Order 474-2015, "Preparing the Virgin Islands of the United States for Adapting to Impacts of Climate Change."

The Governor is encouraged by the senate's interest in this very important issue.

Therefore, thank you for this opportunity to present testimony on the government of the Virgin Islands plans to address climate change, but with emphasis on its impact on our economy.

Background.

What is Climate change?

The best short answer to this question is changes in weather patterns impacting climates around the globe caused mostly by greenhouse gases trapped in the atmosphere resulting in more intense weather conditions, like hotter temperatures, stronger storms, sea level rise, increased precipitation, droughts and humidity. All of these conditions pose a serious threat to the human health, our forests, agriculture, fresh water supplies, coastlines and other natural resources that are vital to our economy and environment and our quality of life.

VI Plan of Action

TAP Grant Award. This outlines the territories plans to address Climate Change Planning. The product to be produced from the grant is a climate action plan. The basis for funding adulteration and resilience initiatives. I will like to do this opportunity to thank the US Department of Interior office of insular affairs and the CLCC for the technical and financial assistance provided resulting in us receiving the largest grant award for climate change planning of all US Territories.

{Discuss Public Engagement initiatives}.

So, what are the potential impacts of climate change on the Virgin Islands economy?

The Review of the Economics of Climate Change (RECC) assessment of the economic impact of Climate Change on the coastal and marine sector of The Virgin Islands up to 2050 alone conservatively estimates an impact ranging from 68% to 286% of 2008 GDP under a relatively high carbon emissions scenario and an impact ranging from 30% to 189% of 2008 GDP under a relatively low carbon emissions scenario. This equates to cumulative losses to 2050 ranging from \$671 million to

\$2.8 billion and from \$301 million to \$1.8 billion by 2050 respectively. Cost impacts to the other sectors affected are yet to be determined for The Virgin Islands, but regional studies show high costs as well. In addition, there is the cost incurred from disaster events which are expected to intensify with Climate Change.

The Fifth Assessment Report of the Intergovernmental Panel on Climate Change found that the impacts of climate change will be felt by every sector of the economy and are relevant to all investors, financial services and businesses. The VI Economic Development Authority (VI EDA), a semi-autonomous government organization responsible for the promotion and enhancement of economic development in the United States Virgin Islands, currently does not have a climate change policy or risk and vulnerability assessment publicly available; however, the VI EDA administers a number of programs that work to build resiliency into the territories economy. Additionally, the federal programs that provide funding and technical assistance to territorial programs, like the US Department of Commerce, recognizes the importance of factoring climate change impacts into its planning and grant processes.

According to the Bureau of Economic Research (BER) Comprehensive Economic Development Strategy (CEDS 2015), the USVI is at a “critical juncture of economic crisis and change, after three successive years of economic decline...” The strategy recognizes the natural and human resources of the islands as core strengths for economic development as well as identifying the need to invest in ‘infrastructure, environment and quality of life’, but does not make specific mention of climate change. Programs aimed at incorporating climate change vulnerabilities and solutions into existing and emerging development strategies as well as diversifying the economy of the USVI represent important strategic opportunities for this sector.

This will be explained by sectors as outlined in the executive order 474-2015.

1. Tourism
2. Infrastructure
3. Human Health
4. Agriculture

Conclusion

Senators; planning for the impacts of climate change for the USVI is the most comprehensive and significant project the territory will undertake in modern times. It overshadows the Comprehensive land and Water use Plan (CLWUP), Waste Management, Energy Reforms. It is tantamount to adopting a Constitution and addressing our political status. It will literally change the way we live forever because man pauses when Mother Nature strikes. I turn your attention to the latest but alarming scientific discovery regarding the rapid melting of polar ice caps that exceeded projections.

I am requesting a 1 1/2 day workshop with all senators and key staffers to provide a detailed explanation of how this must be integrated into our laws, policies, rules and regulations. Funding will be needed to supplement federal dollars to combat climate change In the US Virgin Islands.

A successful climate change adaptation program in the Virgin Islands would help our people, institutions and community in general to be able to survive and thrive in a changing environment that impacts all aspects of life. In order to address the challenges and opportunities we will face in a changed environment, the USVI will need data and information from assessments in support of decision-making for necessary policy changes, coordinated actions among institutions and communities, and effective communication among all stakeholders.

The impacts of climate change - on our health, economic activity like tourism, local agriculture and food security, and the infrastructure that supports life in our community - will change the way we plan and develop as a territory beginning today and decades to come.

This concludes my testimony at this time.