

20 March 2023

## PRESS RELEASE

### **More effort is needed to meet important environmental targets**

The report *“Overview of the Cayman Islands’ performance against the Sustainable Development Goals focused on the environment”* was issued today by the Office of the Auditor General (OAG).

The public interest report assesses the Cayman Islands’ performance against the United Nations Sustainable Development Goals (SDGs) that the OAG has determined to be directly related to the environment. The OAG identified eight SDGs and 47 targets that focused on the environment.

The report states that two targets did not apply to the Cayman Islands, and no data were available for 16 targets. The OAG assessed progress against 29 targets. 11 targets were to be met by 2020 and the OAG assessed that two of these were met and nine were not met. A further 18 targets have deadlines in the future or no target date set. The OAG assessed that two of the 18 have been met, two are on track, some progress has been made with five, and there has been limited or no progress with nine.

Sue Winspear, the Auditor General, says, “This public interest report is our first report on the environment and the Sustainable Development Goals, and our assessment shows a mixed picture.” The Auditor General adds, “There are no data to measure and report on around one-third of the targets. I encourage the Government to start collecting the data needed to measure progress against all relevant SDG targets.”

The report highlights that there are some environment-related successes, including some measures taken to protect the environment. In addition, the Cayman Islands’ COVID-19-related mortality rate compares very well with that of other countries globally.

Ms. Winspear says, “The Cayman Islands proved resilient in the face of the COVID-19 pandemic and recent natural disasters like tropical storms Eta, Grace, Ida and hurricane Ian.” Ms. Winspear continues, “The Government has taken steps to protect some environmentally important areas. In March 2022, the Cabinet approved 865 acres across five locations for formal risk protection. These areas are home to mangroves and other threatened habitats and are in addition to the 3,739 acres already protected. About 55 per cent of near-shore waters are under some form of area-based management.”

The report highlights that significant effort is needed to meet important targets.

In relation to affordable and clean energy (SDG 7), the report states that electricity costs are high, and there has been limited progress in increasing renewable energy and improving energy efficiency.

The Auditor General says, “Access to electricity is almost universal, but electricity costs are high, largely due to the reliance on generating electricity from diesel.” Ms. Winspear continues, “Renewable energy is

environmentally-friendly and may be cheaper for residents in the longer term. The Government's National Energy Policy 2017 – 2037 set an ambitious target of 70 per cent of energy to be renewable by 2037. However, as of February 2023, only three per cent of Grand Cayman's energy was renewable, and there are no publicly available data for the Sister Islands."

SDG 11 sustainable cities and communities covers a range of issues, including affordable housing, transport systems, and national development planning. The report states that there has been limited progress in providing affordable housing, a sustainable transport system and a national development plan.

The Auditor General says, "The average cost of a starter home is at least \$300,000, and the average price of a house is about \$1 million, making homeownership a challenge for many. In addition, the average household spends 55 per cent of its income on rent." Ms. Winspear adds, "The National Housing Development Trust (NHDT) has a waiting list of about 400 applicants but only constructed 11 houses in Grand Cayman between 2020 and 2022. However, I am pleased to note that it plans to build 64 houses in North Side and West Bay. The Sister Islands Affordable Housing Corporation did not construct any houses between 2019 and 2022. Although I note that it plans to restart its affordable housing programme in 2023."

SDG 12, responsible consumption and communities, covers waste management and sustainability practices and reporting. The report states that the waste generated per capita in the Cayman Islands is significantly higher than the global average, and there is limited recycling.

Ms. Winspear says, "On average, each person generates about 11 pounds, or five kilograms, of waste daily, more than five times the global average. In addition, less than three per cent of waste is recycled. I note that the Cayman Islands welcomes significant numbers of tourists relative to its population annually, but we found no correlation between the tourist numbers and the waste generated per capita." Ms. Winspear adds, "The Government is currently negotiating a public-private partnership for an integrated solid waste management system, known as ReGen. I hope the final contract delivers a project that will improve the islands' waste management and provide value for money."

In relation to SDG 13 climate action, the report states that there is currently no climate change policy for the Cayman Islands and carbon dioxide emissions are high.

The Auditor General adds, "I am pleased to note that the Government has recently completed a climate change risk assessment and is currently drafting a climate change policy." Ms. Winspear continues, "However, carbon dioxide emissions in the Cayman Islands, at 15 metric tonnes per capita, are more than three times the global average and 68 per cent higher than the Government's 2030 target. Carbon dioxide emissions contribute to global warming, which has key consequences for small islands like rising sea levels, more intense tropical storms and coastal flooding. I acknowledge that carbon dioxide emissions are high

primarily due to the islands' reliance on diesel for electricity generation and private motor vehicles for transport, but action is needed to reduce these and their impact."

The report states that the Government has an Environmental Protection Fund financed by departure fees levied on travellers leaving the Cayman Islands via the airport or cruise ship terminal.

Ms. Winspear says, "According to the *National Conservation Act, 2013*, the Environmental Protection Fund should only be used for acquiring and managing protected areas and measures to protect and conserve protected species and their critical habitats. However, the Act's sections that ring-fence the money in the fund for environment-related purposes have not been brought into force ten years later." Ms. Winspear adds, "I encourage Cabinet to bring these sections into force as soon as possible so that the funds can only be used for the purpose intended in the Act."

The Auditor General concludes, "We plan to do further performance audits focusing on specific environmental issues in the future. We will use the data in this report as a baseline for those performance audits."

In the absence of the Auditor General, please direct all queries about the report to Angela Cullen, Deputy Auditor General (Performance Audit), at (345) 244-3220.

This report is available at [www.auditorgeneral.gov.ky](http://www.auditorgeneral.gov.ky).

Notes to the editor:

1. Public Interest Reports address issues identified during an audit or for which a report has been requested during the year. They are used when a matter of public interest should be reported to the Parliament, but a full audit is not necessarily required. Unlike performance or financial audits reports, public interest reports do not seek to provide an opinion or recommendations.
2. The United Nations adopted the Sustainable Development Goals (SDGs) in 2015. The 17 SDGs were an urgent call for action by all countries to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. The SDGs require governments to establish a framework that encourages the adoption of sustainable practices and to integrate sustainability information into their reporting cycles. The 17 SDGs are supported by 169 targets, 1,329 publications and 6,652 actions.
3. The 193 Member States of the United Nations, including the United Kingdom, unanimously adopted the SDGs. Therefore, they may also be relevant to the Cayman Islands by virtue of its status as a United Kingdom Overseas Territory.
4. The Government has set and continues to set ambitious goals in key areas of the environment. The Government created a sustainability and climate-focused ministry, the Ministry of Sustainability and Climate Resiliency, in June 2021. In his remarks accompanying the 2022–2024 Strategic Policy Statement (SPS), the Premier highlighted the importance of protecting the environment and supporting climate change resilience and sustainable development.

5. This public interest report focuses on the Cayman Islands' performance against those SDGs and targets we identified as directly relating to the environment.
  - Out of the 17 SDGs, we have identified eight directly related to the environment. The report provides a factual summary and aims to provide an overview of performance against these eight SDGs using the latest available data and estimates.
  - The report covers the period from 2015, when the SDGs were first adopted, to 2022. In most cases, we compared the Cayman Islands' performance to that of global leaders or other countries in the Caribbean region.
  - We relied on information from various Government departments and units to prepare the report. However, we could not obtain the data required to conclude on the Cayman Islands' performance against some SDGs. We note throughout the report and in Appendix 1 where data were not available.
6. We have assessed the Cayman Islands' progress against the 47 targets, covering eight SDGs that relate only to the environment. Some of the targets of the SDGs were intended to be achieved by 2020, while others were longer-term and are to be achieved by 2030. Appendix 1 sets out each SDG target directly related to the environment and our assessment of performance against these. Exhibit 2 provides a high-level summary of our assessment of progress against the targets.
  - 13 targets were set for 2020 - we have assessed these targets as met or not met (if the available data relate to 2020).
  - One target was set for 2025 and 19 targets for 2030. We have assessed these later targets based on progress made so far, and they are assessed as follows: on track, some progress, limited progress or no progress.
  - For the remaining 14 targets for which no deadline was set, we have assessed the targets as follows: met, some progress, limited progress and no progress.
7. As previously stated, the report covers eight SDGs and their respective targets. Each SDG has several targets that we believe as important to the public interest, but we only covered some of them in the press release for brevity.
8. There are two Government-owned companies whose mandate is to provide affordable housing to Caymanians. The National Housing Development Trust (NHDT) performs the role in Grand Cayman, and the Sister Islands Affordable Housing Development Corporation (SIAHDC) does the same in the Sister Islands.