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COMMON COUNTRY ANALYSIS

UPDATE

TURKS AND CAICOS ISLANDS

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Abbreviations

BOTC	British Overseas Territories Citizens
CARICOM	Caribbean Community
CCA	Common Country Analysis
CDB	Caribbean Development Bank
DOS	Department of Statistics
GDP	Gross Domestic Product
MICS	Multiple Indicator Cluster Survey
MSDCF	Multi-Country Sustainable Development Cooperation Framework
OECS	Organization of Eastern Caribbean States
PDU	Premier's Delivery Unit
SDG	Sustainable Development Goal
UNCT	United Nations Country Team
UNICEF	United Nations Children's Fund
TCCIC	Turks and Caicos Islands Community College

Executive Summary

In 2023, Turks and Caicos Islands (TCI) has experienced a strong rebound in economic activity and appears on a path to continue in this vein – as elaborated in the update on Economic Developments.

Progress on the SDGs remains difficult to capture in a systematic way given limited access to standardized and timely data. As such, this update relies on readily available public data and information linked to significant policy changes that have taken place since 2022.



With respect to the impacts from climate change, TCI was fortunately spared during the 2023 Hurricane season. However, concerns remain in relation to TCI's vulnerability to sea-level rises, changes in the frequency and/or intensity of extreme weather, and extreme temperature.^[1]

An additional concern that was cited in the previous CCA Update was extreme uptick in gang violence in the country. However, the country has experienced a decrease in crime when compared to the 2022 rates with homicides having decreased by 30 percent, robberies by 47 percent, and discharge of firearms by 55 percent.^[2]

As is the case with other states under the remit of the Jamaica MCO, political instability is a key concern for TCI.

Introduction

The CCA is a key instrument designed to reflect the United Nations integrated, forward-looking and evidence-based joint analysis of the context for sustainable development, in view of achieving the 2030 Agenda and the Sustainable Development Goals. It forms the basis of UN programmatic support through the Multi-Country Sustainable Development Cooperation Framework (MSDCF).

This document is the third CCA update of the newest cycle, with the second CCA update for TCI completed at the end of 2022. This document provides an overview of major changes that have taken place in 2023 and highlights the data that has become available since then.

At the time of this update, TCI is experiencing a strong rebound in economic activity despite geopolitical uncertainties. The first three sections of this CCA update will outline developments on the political, economic, and human rights front in TCI during 2023.

The latter two sections of the report will: 1) highlight SDG progress (and the government's policy efforts to advance these) and 2) delve into the upcoming threats and opportunities as identified by the Agencies, Funds and Programmes that contribute to programming in TCI. For this report, the inputs of the different UN entities, civil society, and the government will be sought.

This document is the third CCA update of the newest cycle, with the second CCA update for Bermuda completed at the end of 2022. This document provides an overview of major changes that have taken place in 2023 and highlights the data that has become available since then.

[1] Hamilton, D. (2023, December 15). The Turks and Caicos Islands join UK Overseas Territories at COP28 in Dubai. Available at <https://magneticmediatv.com/2023/12/the-turks-and-caicos-islands-join-uk-overseas-territories-at-cop28-in-dubai/>

[2] Current Affairs. (2023, January 8). Significant Reductions in Some Areas of Crime - Acting Commissioner Rodney Adams. Available at <https://suntci.com/significant-reductions-in-some-areas-of-crime-acting-commissioner-rodney-p10194-129.htm>

Political Developments

The Turks and Caicos Islands have undertaken a review of their Constitution with a view to shifting greater political power to the local population. Among the expected amendments are increasing the length of parliamentary terms and removing appointed members from parliament. The changes are all anticipated to be accepted by the UK.^[3]

Economic Developments

With respect to economic progress, TCI has experienced a return to pre-pandemic levels of performance with the Governor stating that “The unemployment rate is trending down, and we have nearly wiped the slate clean of debts, with unsecured debts of \$861,000 in the last quarter.”^[4]

Consistent with the previous CCA Update, TCI continues to experience economic growth. However, per the Economic Intelligence Unit’s recent forecast, this growth is expected to taper off slightly in the next few years (see Figure 1).

Figure 1. Projected Economic Growth in TCI (by percentage).

	2023	2024	2025
US GDP	2.4	1.0	1.7
OECD GDP	1.5	1.1	1.7
World GDP	2.5	2.2	2.6
World trade	0.8	2.5	3.4

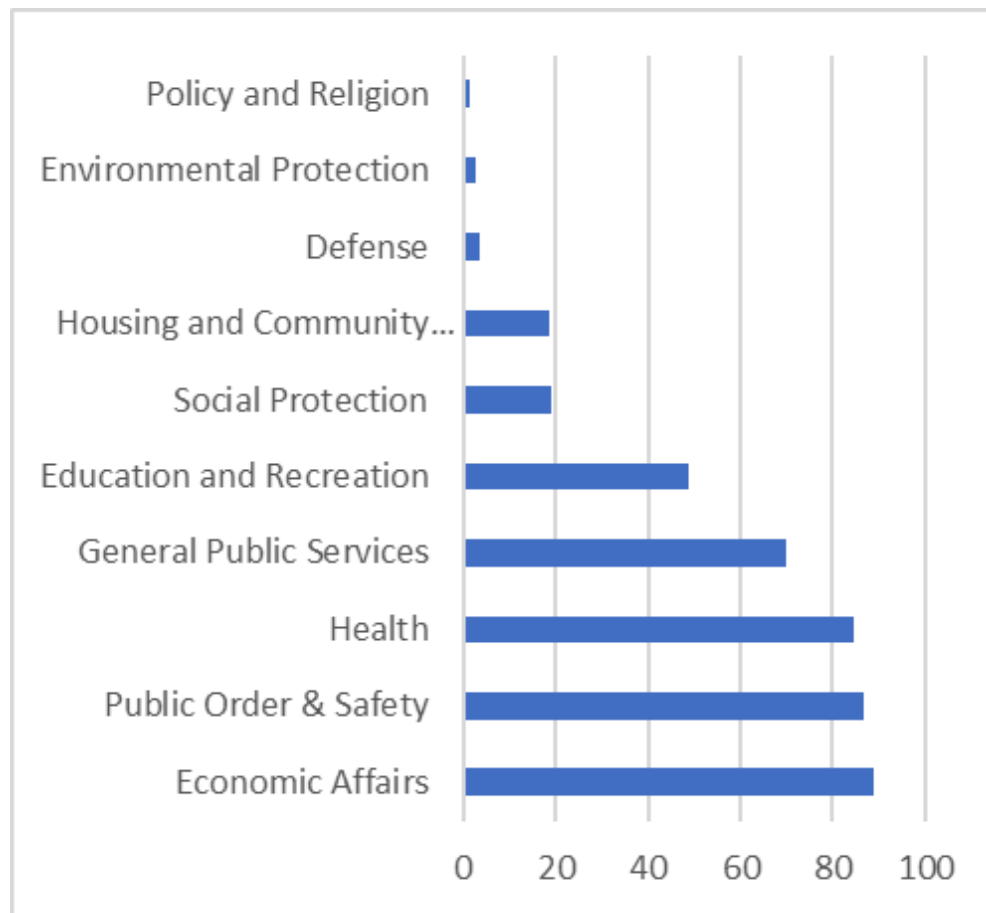
Source: The Economist Intelligence Unit

As for the budgetary allocations outlined in the 2023/2024 cycle, this information was not available via the government’s website. However, the budgetary debates garnered media attention and the following was captured from the speeches and other statements issued by the government. It was noted that for the second year, since the beginning of the COVID-19 pandemic, health expenditures were not the largest budgetary priority - with economic affairs receiving the largest allocation and public order and safety receiving the second largest allocation.

[3] Hamilton, D. (2023, December 21). New Boundaries, More MPs and No Appointed Members expected in Constitutional Changes says Premier. Available at <https://magneticmediatv.com/2023/12/new-boundaries-more-mps-and-no-appointed-members-expected-in-constitutional-changes-says-premier/>

[4] Isles, D. (2023, September 15). TCI economy has recovered fully from COVID downturn - Governor says in Throne Speech. Available at <https://tcweeklynews.com/tci-economy-has-recovered-fully-from-covid-downturn-governor-says-in-thron-p13524-127.htm>

Figure 2. Government of TCI Budgetary Priorities 2023/2024 (in millions of dollars) ^[5]



Health was third in line with an allocation of \$84.6 million; General Public Services received \$69.9 million ; Education and Recreation received \$48.9 million; Social Protection received \$19.1 million; Housing and Community Amenities, which covers water treatment and delivery received \$18.5 million; Defense received \$3.3 million; Environmental protection received \$2.8 million, and Policy and Religion \$1.4 million dollars.

Human Rights Developments

On the human rights front, as is the case in The Bahamas, TCI is facing an issue of “illegal squatting which has spread throughout the Turks and Caicos Islands, particularly in a few Providenciales districts” which the TCI Human Rights Commission has noted that because of “social issues that result from the communities' ongoing existence” it “would give support to the need for demolitions, however it is pertinent that the Illegal Settlements Unit's (ISU) process satisfies compliance with human rights law as it relates to the resettlement of persons who have been evicted during these exercises.” ^[6]

[5] Hamilton, D. (2023, May 25). FPNP Administration Announces \$424.3 MILLION National Budget. Available at <https://magneticmediatv.com/2023/05/pnp-administration-announces-424-3-million-national-budget/#:~:text=PNP%20Administration%20Announces%20%24424.3%20MILLION%20National%20Budget,-Published&text=%23TurksandCaicos%2C%20May%205%2C%202023,which%20ended%20on%20March%2030th>.

[6] Smith, K. (2023, November 20). Demolitions Must Comply with Human Rights Law. Available at <https://suntci.com/demolitions-must-comply-with-human-rights-law-p1006-129.htm>

Progress on the SDGs

TCI is ranked as a high-income territory. And because no household expenditure survey was done since the most recent CCA Update, the reported overall poverty rate remains at 22% with a 35% poverty rate among the Haitian population. Haitians constitute the largest immigrant group in TCI with a population of more than 10,000 and approximately 50% of Haitians are either poor or at risk of falling into poverty, as they experience high levels of unemployment, irregular work and low wages.^[7]

Since 2022, the government of TCI undertook several initiatives to improve the social welfare of its residents and citizens. These included the introduction of a mental health group home to accommodate individuals with, inter alia, long-term mental health conditions;^[8] and a learning recovery and enhancement programme called "Let's REAP!" in Turks and Caicos Islands schools "to address the learning loss caused by the unprecedented disruptions during the COVID-19 pandemic which resulted in a widening of the academic gap for the most vulnerable students."^[9] There were no reports on the impact of these programs at the time of this CCA Update. That said, the government added \$11 million to the education budget to support the ongoing implementation of initiatives introduced in 2022.^[10]

In October 2022, the TCI House of Assembly passed legislation to tackle gangs including increased sentences for possession of illegal firearms and for threatening law enforcement. In 2023, the country experienced a decrease in crime when compared to the 2022 rates with homicides having decreased by 30 percent, robberies by 47 percent, and discharge of firearms by 55 percent.^[11]

As it relates to key demographic information, the first CCA update for this MSDCF cycle shared key findings about the Turks and Caicos Islands Multiple Indicator Cluster Survey (MICS) which was carried out in 2019-2020 by the Department of Statistics (DOS) in collaboration with the Department of Social Development and the Ministry of Health & Human Services, as part of the Global MICS Programme. Along with government funding, technical and financial support were provided by the United Nations Children's Fund (UNICEF).^[12] An important source of information would be the upcoming data that will be published from TCI's 2023 Population and Housing Census which was launched in April 2023.^[13]

[7] Relief Web. (2022, 20 September). Turks and Caicos: Overseas Territory Profile (as of July 2022). Available at <https://reliefweb.int/report/turks-and-caicos-islands/turks-and-caicos-overseas-territory-profile-july-2022>

[8] TCWeekly News. (2022, 13 May). TCI's first mental health group home to open this year. Available at <https://tcweeklynews.com/tcis-first-mental-health-group-home-to-open-this-year-p12435-127.htm>

[9] The Sun. (2022, 1 November). 'Let's REAP' Programme Introduced To TCI Schools. <https://suntci.com/lets-reap-programme-introduced-to-tci-schools-p8404-129.htm>

[10] Ibid.

[11] Ibid

[12] Current Affairs. (2023, January 8). Significant Reductions In Some Areas Of Crime - Acting Commissioner Rodney Adams. Available at <https://suntci.com/significant-reductions-in-some-areas-of-crime-acting-commissioner-rodney-p10194-129.htm>

[13] Government of Turks and Caicos. (2021). TCI MICS Report. Available at <https://www.gov.tc/stats/latest/reports>

[14] Defralien, T. (2023, April 17). TCI's Population and Housing Census Officially Launched. Available at <https://suntci.com/tcis-population-and-housing-census-officially-launched-p9078-129.htm>

It is noteworthy, however, that the government of TCI introduced, for the first time, green and gender-budgeting in the 2023/2024 financial year. By doing so, the government has operationalized its commitment to integrate climate and environmental considerations such as mitigation and adaptation into budget planning and decision-making while the latter can help promote gender equality. The Minister of Finance noted that specific benefits of green and gender budgeting include: “providing better and more relevant information to support budget policy decision-making; stronger collaboration across the whole government on gender and climate issues; targeted policies and programmes that better align with the government’s priorities; having a clearer focus on performance through the provision of sex-disaggregated data on programme output and outcomes and government programme’s climate and gender impacts and policy analysis that addresses fiscal risks from climate change.”^[15]

The Government of Turks and Caicos Islands also committed to establishing the Premier’s Delivery Unit (PDU) that will monitor, track, and facilitate the delivery of prioritized projects. The Delivery Unit is intended to accelerate implementation and “bring about impactful timely outcomes, in addition to knowledge transfer and fostering a transformative work culture focused on delivery and results.”^[16]

One of the issues highlighted in the previous update was the absence of a plan to address climate change and natural resource management in TCI. In this context, the government took a positive step in November by introducing the new Renewable Energy and Resource Planning Bill 2023 which outlines TCI’s anticipated transition to the use of 33% of clean energy sources constituting its energy mix by the year 2040. The Bill also aims to develop a renewable energy infrastructure; establish partnerships for investment and financing; contribute to job creation and economic growth; promote environmental conservation; and promote energy resilience.^[17]

This Bill builds on the commitments outlined in the 2022 Climate Charter which outlined, inter alia, the following commitments by the government and the private sector: “promote better cooperation and the sharing of knowledge, experience, and expertise between the Turks and Caicos Islands Government, private sector, other Overseas Territories and other states and communities which face similar Climate Change problems; invest in renewable energy and sustainable building and operational practices; invest in and promote ecotourism, tree planting, and other environmentally friendly projects; reduce wholesale land clearance, eliminate infilling or destruction of wetlands, mangroves and seagrass beds.”^[18]

[15] Isles, D. (2023, May 5). TCI integrates green and gender impacts in new budget. Available at <https://tcweeklynews.com/tci-integrates-green-and-gender-impacts-in-new-budget-p13223-127.htm#:~:text=The%20key%20benefits%20of%20green,the%20government's%20priorities%3B%20having%20a>

[16] Ibid

[17] Turks and Caicos Sun. (2023, November 5). Turks And Caicos Islands Introduces Ambitious Renewable Energy Legislation To Ensure A Sustainable And Clean Energy Future. Available at <https://suntci.com/turks-and-caicos-islands-introduces-ambitious-renewable-energy-legislation-p9944-129.htm>

[18] Turks and Caicos Reef Fund. (2022). TCRF becomes signatory to TCI Climate Change Charter. Available at <https://www.tcreef.org/news/2022/4/26/tcrf-becomes-a-signatory-to-tci-climate-change-charter>

Emerging Opportunities and Challenges

Reflecting on the developments in TCI during 2023, there is ample opportunity for UNCT and other development partners' contributions. While the territory is not a signatory to the MSDCF (and no Country Implementation Plan has been developed for TCI), this has not impeded efforts by the UNCT to provide support – as demonstrated by the administration of the MICS as well as the previously proposed inclusion of TCI into an SDG Fund Project.

Particular opportunities for the UNCT may include facilitating communities of practice among governments to exchange lessons learned to combat crime as well as those related to the rollout of gender and green-based budgeting.

Establishing new connections in relation to the realization of the MSDCF 2022-2026 could ensure that the territory is receiving support in major areas of concern, including the sharp increase in violent crime.

Groups described as vulnerable in the previous CCA update are expected to face compounded difficulties should the trajectory of violence continue.

TCI remains vulnerable to the increasing occurrence of emergencies, such as storms and hurricanes of seemingly increasing intensity, as well as health emergencies. This threatens the achievement and sustainability of the SDGs.

Conclusion

The TCI has seen the introduction of promising initiatives since the 2021 CCA update. These demonstrate a positive step by the Government of Turks and Caicos to advance progress on a range of SDGs. That said, it is important to ensure that groups at risk of being left behind in development processes be more explicitly foregrounded, especially in data.