STRATEGIC PLAN
2015 - 2019

CARIBBEAN DEVELOPMENT BANK

STRATEGIC PLAN 2015 – 2019

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DECEMBER 2014

PURPOSE

"The purpose of the Bank shall be to contribute to the harmonious economic growth and development of the member countries of the Caribbean (hereinafter called the region) and to promote economic cooperation and integration among them, having special and urgent regard to the less developed members of the region" [Article 1 – Agreement Establishing the Caribbean Development Bank]

MISSION STATEMENT

CDB intends to be the leading catalyst for development resources into the Region, working in an efficient, responsive and collaborative manner with our borrowing members, and other development partners, towards the systematic reduction of poverty in their countries through social and economic development.

CURRENCY EQUIVALENT

Dollars ($) throughout refer to United States dollars (USD) unless otherwise stated

ABBREVIATIONS

BMCs	-	Borrowing Member Countries
bn	-	billion
BNTF	-	Basic Needs Trust Fund
BOD	-	Board of Directors
CARICOM	-	Caribbean Community
CARTAC	-	Caribbean Regional Technical Assistance Center
CDB	-	Caribbean Development Bank
CGF	-	Caribbean Growth Forum
CIF	-	Caribbean Investment Fund
CPAs	-	Country Poverty Assessments
CSME	-	Caribbean Single Market and Economy
DFATD	-	Department of Foreign Affairs, Trade and Development
DFID	-	Department for International Development of the United Kingdom
DRM	-	Disaster Risk Management
ECCU	-	Eastern Caribbean Currency Union
EE	-	Energy Efficiency
EIB	-	European Investment Bank
EPA	-	Economic Partnership Agreement
EU	-	European Union
GDP	-	Gross Domestic Product
IDB	-	Inter-American Development Bank
ICT	-	Information and Communication Technology
IDP	-	Information Disclosure Policy
IMF	-	International Monetary Fund
MDBs	-	Multilateral Development Banks
MDGs	-	Millennium Development Goals
MfDR	-	Managing for Development Results
mn	-	million
OCR	-	Ordinary Capital Resources
OECD	-	Organisation for Economic Co-operation and Development
OECS	-	Organisation of Eastern Caribbean States
PBOs	-	Policy-Based Operations
PBLs	-	Policy-Based Loans
PCM	-	Project Cycle Management
PPAM	-	Public Policy Analysis and Management
PPPs	-	Public/Private Partnerships
RCI	-	Regional Cooperation and Integration
RE	-	Renewable Energy
RMF	-	Results Monitoring Framework
SDF (U)	-	Special Development Fund (Unified)
SEEC	-	Sustainable Energy for the Eastern Caribbean
SFR	-	Special Funds Resources
SWP	-	Strategic Workforce Plan

ABBREVIATIONS (CONT'D)

TA	-	Technical Assistance
TVET	-	Technical and Vocational Education and Training
UNDP	-	United Nations Development Programme
US	-	United States
UWI	-	University of the West Indies
WB	-	World Bank
WEO	-	World Economic Outlook

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EXECUTIVE SUMMARY

1. The Caribbean Development Bank (CDB) is committed to assisting Borrowing Member Countries (BMCs) to reduce inequality and halve the incidence of extreme poverty[1] by the end of 2025 through supporting inclusive and sustainable growth; and promoting good governance.

2. The key development issues for CDB's BMCs have remained those of low and variable economic growth; unsustainable debt and poor fiscal management; high unemployment; vulnerability to the effects of climate change and natural hazards; environmental degradation, crime and increasing threats to citizen security; and rising poverty, all with distinctive gender imbalances; weaknesses in economic governance arrangements, and the slow pace of regional economic integration. Indeed, the recent financial crisis and Great Recession have further slowed already sluggish growth rates, made economic conditions more difficult and inequitable, and threatens to erode the social gains made in previous decades.

3. The recession has been deeper and of a much longer duration than had been anticipated in CDB's Strategic Plan 2010-2014. Weak growth and fiscal constraints among its BMCs have impacted not only BMCs' economic fortunes but also CDB's operating results and its contribution to the overarching goal of reducing poverty. The Bank has observed a marked fall-off in demand for investment loans, as BMCs' fiscal consolidation programmes saw them cutting back on capital spending and therefore reducing borrowing levels for investment purposes. As a consequence, CDB's operating out-turns between 2011 and 2014 have also been significantly lower than projected in the Strategic Plan 2010 - 2014. (Refer to Table 1 - Selected Comparative Operating Results Planned vs Actual 2010 - 2014). Furthermore, CDB found it difficult to assist BMCs seeking budgetary support to address their constraints to growth, since reaching the ceiling on Policy-Based Loans (PBLs) at the end of 2010[2].

4. Prospects for the Region are inextricably linked to the international outlook. The Region is expected to grow by around 2.3% on average in 2014. Led by Guyana, Haiti and Suriname, growth is expected for most BMCs, with growth rates set to range between 1% and 3%. The recovery in regional tourism is expected to strengthen with the anticipated faster growth in the United States (US) and return to growth in the Euro area, as well as expectations of improved airlift and reduced fuel costs resulting from further declines in commodity prices. This recovery, together with growth in global foreign direct investment projected at around 10% in 2014 should have further spin-off benefits for construction and other real sector activity. However, unemployment is expected to remain high in many BMCs.

5. The international community is shortly expected to agree on a new sustainable development agenda (the Post - 2015 Agenda) and the means for implementing it. All indications are that this Agenda will be focusing on the eradication of extreme poverty, but also addressing broader environmental, economic and social sustainability challenges. A large number of bilateral and multilateral agencies, and multilateral development banks (MDBs) comprise the regional aid architecture and provide development assistance to CDB's BMCs in a wide range of sectors and thematic areas critical to their economic and social development. CDB is a major partner in these development efforts.

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[1] Extreme poverty or indigence refers to a level of poverty where a household's ability to consume basic nutritional requirements is wholly lacking and as a consequence, experiences severe hardship and deprivation.

[2] At the 244th Meeting of the Board of Directors (BOD) held on October 17, 2013, it was agreed that the policy-based operations (PBOs) limit (as a percentage of total loans outstanding) be increased, in a stepped manner from 20% to 30% initially, and subsequently, subject to further BOD approval, to 33%.

DEMAND FORECAST

6. There are a number of factors that will determine CDB's disbursements during the planning period. Foremost among these is capacity – both within the Bank and in countries. There exists a significant demand for development financing and in particular for financing PBOs. However, CDB's ability to fulfil this demand is limited, not only by the current policy ceiling on such lending, but also by the need to ensure that PBLs are based on a robust set of reforms to guarantee the development effectiveness of this activity, juxtaposed against BMCs' appetite for implementing required reforms.

7. The Ordinary Capital Resources (OCR) demand is anticipated to be approximately $780 million (mn) over the five-year period with approximately $540mn being investment lending with the balance in PBOs. Special Fund Resources (SFR) disbursements are estimated to amount to $270mn for the same period.

8. The proposed Strategic framework for the period 2015 to 2019 will comprise two distinct but complementary development objectives of: *supporting inclusive and sustainable growth and development, and promoting good governance*. These two objectives will be supported by the mainstreaming of three cross-cutting areas, i.e., *gender equality, regional cooperation and integration (RCI), and energy security.* The Bank will also pursue the important institutional objective of enhancing organisational efficiency and effectiveness to ensure the Bank's capacity and capability to execute on its mission and objectives, and to be responsive to the changing needs of its clients.

STRATEGIC DIRECTION

9. CDB's support for *achieving inclusive and sustainable growth and development* in BMCs will be realised through investments in economic and social infrastructure, education and training, agriculture and rural development, private sector development, water and sanitation, environmental management, climate resilience, energy efficiency (EE), renewable energy (RE) and disaster risk management (DRM). Initiatives in these core areas will be identified through sector/thematic policies and country assistance strategies. In this regard, existing sector and thematic policies and strategies will be reviewed and new ones developed as required.

10. The Bank expects that during the Plan period, its lending portfolio will continue to be dominated by economic and social infrastructure, and education and training for a combined commitment of 50%; and agriculture and rural development and cross-cutting areas will account for 10% of new commitments. Newer areas of focus, i.e. EE and RE, climate resilience and private sector operations and development will account for 25% of new commitments.

11. Good governance is a necessary condition for promoting the systematic reduction of poverty. The quality of governance is critical for economic transformation, improving competitiveness, promoting inclusive, sustainable growth and ensuring their overall contribution to reducing poverty in BMCs. In the context of the current economic environment, priority will be given to outcomes focused on:

(a) improving economic management including public sector investment programming;

(b) debt and fiscal management; strengthening evidenced-based policy-making;

(c) supporting the adoption of managing for development results (MfDR) approaches to long-term planning;

(d) promoting competitiveness and innovation through policy reforms; and

(e) creating the environment for private sector-led growth.

It is expected that 15% of new commitments will be made to governance-related initiatives including through PBOs.

12. The Bank's internal reform agenda will continue as an important part of the effort to enhance organisational efficiency and effectiveness through a reassessment and strengthening of policies, strategies, processes and programmes. The agenda is focused on five principal areas:

- enhancing corporate governance and oversight;
- improving policies, strategies and guidelines;
- improving human resource skills, capabilities and processes;
- aligning organisational structure and processes; and
- mainstreaming of MfDR.

13. The alignment of human and financial resources with the thrust of the Strategic Plan is essential for the achievement of its objectives. The implementation of this Strategic Plan creates unique demands on the Bank's human resources, from the perspective of meeting the objectives of the Plan, including timely implementation of the planned level of the Special Development Fund (SDF) operations, the introduction of new areas of work, and providing the capability needed to work with an expanded and more diversified membership. In that regard, the Human Resources Division will prepare a Strategic Workforce Plan (SWP) integrating workforce supply and demand into the strategic planning process to ensure the Bank has the "five rights" – the right number of people with the right skills, in the right place, at the right level and cost.

14. The post-crisis behavior of governments to date suggest that although the financial needs are great, limited fiscal capacity will dampen effective demand for higher levels of borrowing throughout most of the Plan period. Nevertheless, the Strategic Plan envisages that CDB will continue to be a leading catalyst for development resources into its BMCs. Given its size, the Bank cannot meet the full demand of its BMCs for OCR resources, it will however endeavor to maintain its current share of the overall resource requirement including that mobilised through Special Funds Resources.

15. CDB is obligated to mobilise as much resources as possible and on the most favorable terms for assisting the development of its BMCs. The Bank will undertake appropriate measures to enhance its role as a mobiliser of financial resources including the expansion of membership, attracting additional trust funds from non-traditional sources and opening discussions on the replenishment of the Special Development Fund (Unified) [SDF (U)]. The availability of concessionary resources to support BMCs' development programmes is a critical part of CDB's franchise value and indispensable to promoting its direct poverty reduction programming and to supporting the implementation of required initiatives in governance, gender, environmental sustainability, climate resilience, DRM, policy-based lending and public sector reform, capacity development, Basic Needs Trust Fund (BNTF), social protection, regional economic integration, and MfDR.

16. Box 1 illustrates CDB's planned contribution to inclusive and sustainable development over the period 2015-2019, through projected outputs of projects and programmes in BMCs. These are aggregate outputs from a selection of Level 2 indicators in the RMF.

Box 1: Planned Achievements 2015-2019

To support inclusive and sustainable growth and development, and good governance, CDB will**:**

Social and Economic Infrastructure

- Construct or upgrade in excess of 250 km of primary, secondary and community roads, which will benefit an estimated 340,000 people directly in the catchment areas and many more users indirectly.
- Install or upgrade 150 km of water lines, and afford 22,000 households with access to clean water supply and improved sanitation.

Agriculture and Rural Development

- Train about 3,000 stakeholders in advanced agricultural production technologies
- Improve the use of more than 2,000 hectares of land through drainage, flood and irrigation works

Education and Training, and Citizen Security

- Improve classrooms and facilities at all levels of education and provide access to student finance, to benefit 180,000 students
- Train more than 6,000 teachers and principals
- Sensitise over 2,000 youth to citizen security interventions

Environmental sustainability, DRM and Climate Change

- Install over 8.5 megawatts of supply through renewable energy technologies.
- Support BMCs to be more energy efficient, saving a potential 20 gigawatt hours of energy, (a cost saving of $6 mn).
- Strengthen 20 communities to be resilient to disaster events and climate change impacts

Private Sector Operations

- Enhance the business skills of 7,000 micro, small and medium-size business people
- Extend credit to private sector operations

Governance and Accountability

- Increase the skills of over 2,000 stakeholders in Public Policy Analysis Management (PPAM) and Project Cycle Management (PCM).
- Support BMCs to increase opportunities for Public/Private Partnerships (PPPs) in the delivery of services

In addition, CDB will identify opportunities for investing in its three cross-cutting areas, i.e. gender equality, regional integration and energy security in all its programmes and projects.

17. Based on the expected level of OCR disbursements identified in Section 4 of this document, projections of financial performance have been developed for the five-year period.

18. It is assumed that the operating environment will remain placid for the first half of the Plan period and that the additional disbursements to new members will only increase the aggregate level of disbursement to a range of $100mn in 2015 to $135mn in 2019.

19. The analysis indicates that:

(a) The Bank will be able to operate within the financial policies and operating guidelines and to meet its capital and liquidity requirements;

(b) At the projected disbursement outturns, administrative expenditures will need to be carefully managed to ensure future creditworthiness and to preserve the financial capacity of the Bank to respond to the priority needs of members; and

(c) Any further weakening of economic performance by BMCs will increase the need to mobilise additional concessional resources to support proposed priority areas, i.e. RE, EE, climate resilience, disaster risk management and environmental sustainability.

20. The RMF has been revised and updated, and will be used to assess and report on progress in implementing the new Strategic Plan 2015 – 2019 as part of the Annual Development Effectiveness Review. The revised RMF will track implementation performance at four levels:

(a) **Level 1 - Progress towards Sustainable Development Goals and Regional Development Outcomes:** This first level of the results framework tracks the development progress of the Region through selected Caribbean-specific development goals and outcomes. These are consistent with sustainable development priorities highlighted in the Post - 2015 Development Agenda. Level 1 indicators monitor Regional performance related to reducing poverty and inequality, quality education and training, and employment opportunities, building competitive economies and resilience, sustainable energy and adaptation to a changing environment. Performance in relation to these indicators and targets will also inform CDB's future country assistance strategies and programmes.

(b) **Level 2 - CDB Contribution to Sustainable Development Goals, Country and Regional Development Outcomes**: Indicators at this level measure the Bank's contribution to sustainable development goals, country and regional outcomes through outputs delivered in key operational areas identified in the Strategic Plan. These core areas include: economic and social infrastructure, education, training and citizen security, agriculture and rural development, private sector operations and development, governance and accountability, with gender equity cutting across the core areas.

(c) **Level 3 - CDB Operational Management (How well is the Bank managing its operations?)**. CDB's assessment of the operational quality and relevance of its services are measured through four groups of indicators covering operational processes and practices and portfolio performance; resource allocation and utilization; strategic focus; and disclosure, transparency and risk management. The Bank will also ensure that its cross-cutting themes of gender equity, energy security and RCI are integrated into all of the Bank's operations. These indicators will also monitor and measure the intensity of CDB's focus on the sectors where it has the greatest strength, its efficiency in making resources available to its BMCs and its responsiveness to client needs.

(d) **Level 4 – CDB Organisational Efficiency (How efficient is CDB as an Organisation?)** The indicators at this level will assess the adequacy of CDB's organizational capacity to facilitate the effective management of its operations. The Bank recognizes that overall development effectiveness can be increased by operating efficiently. Effective operational management will be supported by organizational efficiency in recruiting and retaining appropriate human resources, provision of adequate administrative budget management and by working to the Bank's comparative advantage collaboratively with its development partners.

1. INTRODUCTION

1.01 Despite the Region's many development successes, the most recently available data (covering the period before the Great Recession) indicates that an average[3] of 22.4% of the population in BMCs of CDB, (excluding The Bahamas, Jamaica, Suriname and Trinidad and Tobago)[4] are indigent or suffer from extreme poverty. In addition, an average of 44.1% of the population in BMCs is living below their poverty lines and 13.1% are vulnerable to falling into poverty as a consequence of external economic shocks or natural disaster events. CDB is committed to assisting BMCs to reduce inequality and halve the incidence of extreme poverty[5] by the end of 2025 through promoting sustained and inclusive economic growth.

1.02 The key development issues for CDB's BMCs have remained those of low and variable economic growth; unsustainable debt and weak fiscal management; high unemployment; vulnerability to the effects of climate change and natural hazards; environmental degradation; crime and increasing threats to citizen security; and rising poverty, all with distinctive gender imbalances; weaknesses in economic governance arrangements, and the slow pace of regional economic integration. Indeed, the recent financial crisis and Great Recession have further slowed already sluggish growth rates, made economic conditions more difficult and inequitable, and threatens to erode the social gains made in previous decades.

1.03 The recession has been deeper and of a much longer duration than had been anticipated in CDB's Strategic Plan 2010-2014. Weak growth and fiscal constraints have impacted not only BMCs' economic fortunes but also CDB's operating results. The Bank has observed a marked fall-off in demand for investment loans, as BMCs' fiscal consolidation programmes saw them cutting back on capital spending and therefore reducing borrowing levels for investment purposes. As a consequence, CDB's operating out-turns between 2011 and 2014 have also been significantly lower than projected in the Strategic Plan 2010 - 2014 (Refer to Table 1 - Selected Comparative Operating Results Planned vs Actual 2010 -2014). Furthermore, CDB found it difficult to assist BMCs seeking support for growth-oriented policy reforms since reaching the ceiling on PBLs at the end of 2010.

1.04 The global economic recovery remains weak and uneven, with BMCs traditional trading partners experiencing the lowest growth rates. That notwithstanding, most Caribbean economies have rallied and are expected to grow in 2014 and 2015 even though at relatively low rates. Nevertheless, many obstacles remain on the road ahead. The new planning period is expected to be an extraordinary one for the Region as it continues to address the challenges of inclusive economic growth and competitiveness, fiscal and debt sustainability, poverty and inequality and environmental sustainability. At the same time, BMCs must strive to exploit opportunities for economic growth and transformation and to build resilience through initiatives focused on expanding economic and social infrastructure, improving the quality of education, enhancing competitiveness and innovation, strengthening agricultural production and food security, expanding export trade, promoting green technology and Renewable Energy (RE), improving economic governance and supporting private sector development. The economic growth performance of other small states during the period 2009-13, which has been five percentage points above the average growth rate of CDB's BMCs, demonstrates that opportunities for growth among small countries exist even in this hostile economic environment.

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[3] Includes Haiti: weighted average of national poverty rates by population.
[4] Data on indigence are not available for these four BMCs. However, the percentage of poor population in these countries was 9.3% in The Bahamas (2007); 17.6% in Jamaica (2010); and 17% in Trinidad and Tobago (2010). No nationally-acknowledged poverty data are available for Suriname.
[5] Extreme poverty or indigence refers to a level of poverty where a household's ability to consume basic nutritional requirements is wholly lacking and as a consequence, experiences severe hardship and deprivation.

TABLE 1: SELECTED OPERATING RESULTS 2010 – 2014

Item	2010	2011	2012	2013	2014
Approvals $mn					
Total (Plan)	296.0	327.0	329.8	293.0	309.0
Total (Actual)	300.5	166.5	163.6	167.4	269.4
OCR (Actual)	224.0	69.5	39.6	109.0	173.8
SFR (Actual)	76.5	97.0	124.0	58.4	95.6
Loans Outstanding $mn					
Total (Actual/Budget)	1,564.0	1,601.6	1,579.4	1,600.9	1,624.8
OCR (Plan)	955.3	1,087.4	1,222.7	1,357.7	1,492.7
OCR (Actual/Budget)	993.5	1,007.5	972.3	967.9	973.3
SFR (Actual/Budget)	570.5	594.1	607.1	633.0	651.5
Disbursements $mn					
Total (Plan)	270.0	276.0	278.0	277.0	281.0
Total (Actual/Budget)	326.9	167.8	116.3	191.6	180.1
OCR (Plan)	198.0	198.0	198.0	198.0	198.0
OCR (Actual/Budget)	246.4	94.9	49.5	84.3	100.7
SFR (Actual/Budget)	80.5	72.9	66.8	107.3	79.4
Borrowings $mn					
OCR (Plan)	70.0	69.6	198.4	126.7	231.3
OCR (Actual/Budget)	86.1	236.0	338.6	-	-
Undisbursed loans and loans not yet effective $mn					
OCR (Plan)	426.0	436.0	446.0	456.0	466.0
OCR (Actual/Budget)	375.0	328.0	320.3	333.8	421.8
SFR (Actual/Budget)	172.6	211.7	237.5	200.6	196.7
Debt/Total Assets -%					
OCR (Plan)	49.2	49.4	49.5	49.4	50.1
OCR (Actual/Budget)	51.4	55.6	56.1	46.5	38.8
Gross Revenue $mn					
OCR (Plan)	58.3	61.0	66.2	71.5	76.8
OCR (Actual/Budget)	46.7	42.5	43.1	43.0	44.3
SFR (Actual/Budget)	20.8	16.3	18.8	15.4	19.4
Operating Income $mn					
OCR (Plan)	26.4	29.6	32.5	35.8	39.5
OCR (Actual/Budget)	28.4	21.6	22.5	11.6	22.2
SFR (Actual/Budget)	6.6	1.4	2.4	(0.9)	2.4
Admin. Expense $mn					
Total (Actual/Budget)	24.3	24.9	27.4	26.7	30.2
OCR (Plan)	12.5	12.8	13.2	13.5	13.9
OCR (Actual/Budget)	10.2	10.2	10.9	10.7	11.6
SFR (Actual/Budget)	14.1	14.7	16.5	16.0	18.6

1.05 CDB's new Strategic Plan will focus on assisting the Region to identify and exploit opportunities for achieving inclusive and sustainable growth and development, strengthening BMCs resilience to external economic shocks and natural hazard events and reducing poverty and inequality. The Plan will also chart a course for the Bank to build on its own comparative strengths, enhance its role and relevance to its stakeholders, build its portfolio, improve its efficiency and effectiveness, and strengthen its results focus.

1.06 This Strategy is the outcome of extensive consultations and discussions with members of the Board of Governors, BOD, management, staff, donors and clients, as well as the insights gained from the recently conducted independent perception survey of principal stakeholders. The Bank has also participated in the discussions leading to the approval by the Caribbean Community (CARICOM) Heads of Government of their first Strategic Plan for the Community. CDB's proposed Strategic Plan will be aligned with the six integrated areas of focus set out in the CARICOM Plan:

(a) Building Economic Resilience;

(b) Sustainable Economic Growth and Development;

(c) Building Social Resilience;

(d) Equitable Human and Social Development;

(e) Building Environmental Resilience; and

(f) Building Technological Resilience.

1.07 In crafting this new Strategic Plan and developing the priorities and areas of focus, the Bank also takes into account the current commitments of BMCs under the Caribbean-specific Millennium Development Goals (MDGs) and under the proposed Post – 2015 Agenda. The proposed Post - 2015 Agenda, which builds on the foundations of the MDGs, identifies five transformational shifts to provide guidance to the international community to better alleviate poverty and "for building integrated sustainable development agenda that will overcome the obstacles to prosperity for all" (Refer to Appendix 1 - From Vision to Action — Priority Transformations for A Post - 2015 Agenda)[6]:

(a) Leave No One Behind;

(b) Put Sustainable Development at the Core;

(c) Transform Economies for Jobs and Inclusive Growth;

(d) Build Peace and Effective, Open and Accountable Public Institutions; and

(e) Forge a new Global Partnership.

Importantly, the Bank will assist in articulating the Agenda in a way that is most relevant to the Caribbean.

1.08 This paper sets out CDB's strategic directions for 2015 – 2019. Section 2 of the Paper describes the principal development challenges to be addressed by BMCs with assistance from the Bank and other development partners, and the prospects and opportunities for the medium term. Section 3 outlines the current Caribbean aid architecture and the role and relevance of CDB within that framework. Section 4 describes the projected OCR disbursements during the Plan period and Section 5 outlines the proposed strategic direction for the Bank. Section 6 sets out the human, financial and other resources required for executing the Plan and the final Section 7 deals with the proposed RMF.

[6] A New Global Partnership: Eradicate Poverty and Transform Economies through Sustainable Development – The Report of the United Nations High-Level Panel of Eminent Persons on the Post-2015 Development Agenda (Extract from Chapter 2)

CHALLENGES, PROSPECTS AND OPPORTUNITIES

2.01 According to the April 2014 World Economic Outlook (WEO) of the International Monetary Fund's (IMF), global activity has broadly strengthened and is expected to improve further in 2014-15, with much of the impetus for growth coming from advanced economies. It notes that although downside risks have diminished overall, lower-than-expected inflation poses risks for advanced economies. There is increased financial volatility in emerging market economies, and increases in the cost of capital will likely dampen investment and weigh on growth.

2.02 Looking ahead, global growth is projected to strengthen from 3% in 2013 to 3.6% in 2014 and average 3.9% in 2015-2019 (See Table 2 – Global Outlook). A firming up of advanced economies is anticipated, with the strongest growth in the US. Growth is projected to be positive but varied in the Euro area; stronger in the core, but weaker in countries with high debt (both private and public) and financial fragmentation, which will both temper domestic demand.

TABLE 2: GLOBAL OUTLOOK

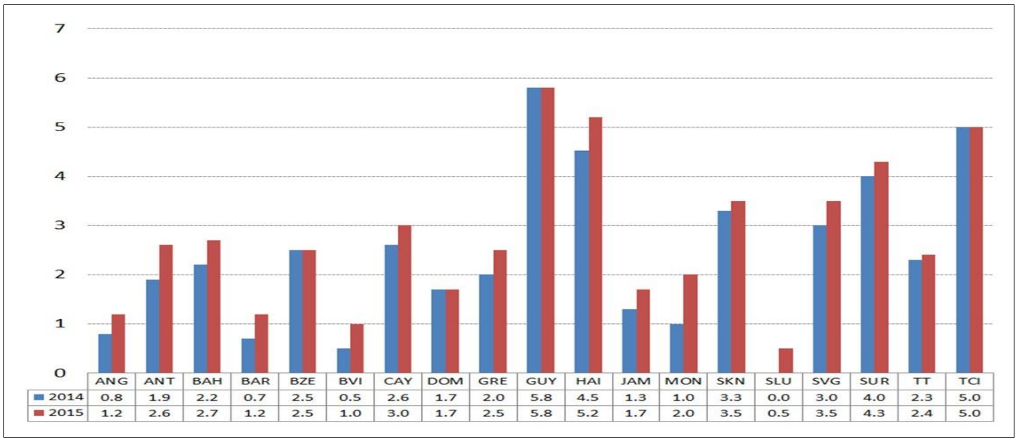
	Estimates			Projections				
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
World Output	**3.2**	**3.0**	**3.6**	**3.9**	**4.0**	**3.9**	**3.9**	**3.9**
Advanced Economies	1.4	1.3	2.2	2.3	2.4	2.4	2.3	2.1
United States	2.8	1.9	2.8	3.0	3.0	2.9	2.6	2.2
Euro Area	(0.7)	(0.5)	1.2	1.5	1.5	1.5	1.5	1.5
Germany	0.9	0.5	1.7	1.6	1.4	1.4	1.3	1.3
France	0.0	0.3	1.0	1.5	1.7	1.8	1.9	1.9
Italy	(2.4)	(1.9)	0.6	1.1	1.3	1.2	1.0	1.0
Spain	(1.6)	(1.2)	0.9	1.0	1.1	1.2	1.2	1.3
Japan	1.4	1.5	1.4	1.0	0.7	1.0	1.0	1.1
United Kingdom	0.3	1.8	2.9	2.5	2.4	2.3	2.4	2.4
Canada	1.7	2.0	2.3	2.4	2.4	2.2	2.1	2.0
Other Advanced Economies	1.9	2.3	3.0	3.2	3.3	3.3	3.3	3.4
Emerging and Developing Economies	5.1	4.7	4.9	5.3	5.4	5.4	5.4	5.3
China	7.7	7.7	7.5	7.3	7.0	6.8	6.6	6.5
India	4.7	4.4	5.4	6.4	6.5	6.7	6.7	6.8
Latin America and the Caribbean	3.1	2.7	2.5	3.0	3.3	3.5	3.5	3.6
Consumer Prices	**3.9**	**3.6**	**3.5**	**3.4**	**3.6**	**3.5**	**3.4**	**3.4**
Advanced Economies	2.0	1.4	1.5	1.6	1.8	1.9	1.9	2.0
Emerging and Developing Economies	6.0	5.8	5.5	5.2	5.4	4.9	4.7	4.6

Source: IMF WEO, April 2014

2.03 In emerging markets and developing economies, growth is projected to pick up gradually from 4.7% in 2013 to about 5.25% in 2015. Growth will be helped by stronger external demand from advanced economies, but tighter financial conditions will dampen the impact of domestic demand on growth. In China, growth is projected to remain at about 7½% in 2014 as the authorities seek to rein in credit and advance reforms while ensuring a gradual transition to a more balanced and sustainable growth path. In addition, further declines in commodity prices are anticipated.

2.04 Prospects for the Region are inextricably linked to the international outlook. The Region is expected to grow by around 2.3% on average in 2014. Led by Guyana, Haiti and Suriname, growth is expected for most BMCs, with growth rates set to range between 1% and 3%. (Refer to the chart below – Regional Growth (%) Projections, 2014 and 2015 and Appendix 2 – Summary of BMCs' Economic Indicators - 2013). The recovery in regional tourism is expected to strengthen with the anticipated faster growth in the US and return to growth in the Euro area, as well as improved airlift and reduced fuel costs resulting from further declines in commodity prices. This recovery, together with growth in global foreign direct investment projected at around 10% in 2014 should have further spin-off benefits for construction and other real sector activity.

CHART 1: REGIONAL GROWTH (%) PROJECTIONS, 2014 AND 2015



2.05 While continuing to dampen growth prospects for the Region's commodity exporters, the projected moderation in global commodity prices should continue to ease domestic inflationary pressures. However, unemployment is expected to remain high in many BMCs, reflecting labour market rigidities and, in some cases, fiscal consolidation leading to cutbacks in public sector spending. While favourable external developments will be critical for the recovery, much will also depend on the existence of an appropriate policy framework at both the national and regional levels.

CHALLENGES

2.06 The legacy of the Great Recession in the Region includes significant fiscal and debt challenges, lingering weakness in the financial sector, increased poverty levels, widening inequality and a rise in the threat to social gains. Going forward, regional policymakers will continue to grapple with these relatively recent threats, as well as other long-standing development challenges, while seeking to capitalise on both latent and emerging opportunities. CDB's operating environment will continue to be shaped by these issues in the upcoming strategic planning period (2015-19).

Poverty is a Continuing and Growing Threat

2.07 Prior to the onset of the Great Recession, the poverty statistics indicated that most BMCs were making significant strides in reducing poverty [Refer to Appendix 3 – Caribbean Countries' Poverty Indicators 1996 – 2012]. As a consequence of the global crisis, poverty and inequality are again on the rise as BMCs struggle to promote economic growth and social progress in the face of reduced revenues and rising unemployment. Rising unemployment[7], particularly of young people, and relatively higher unemployment among women, are adding further pressure to the poverty situation as well as to problems of drug trafficking, rising crime and citizen insecurity. Regrettably, for the medium-term, unemployment is expected to remain high in many BMCs, reflecting labour market rigidities and, in some cases, fiscal consolidation leading to cutbacks in public sector spending.

2.08 Considerable reform effort will be required to achieve and sustain higher rates of gross domestic product (GDP) growth per capita to ensure that poverty levels are reduced. In addition, the Bank has to

[7] Five BMCs for which 2013 labour force data is available reported double-digit rates of unemployment: The Bahamas' annual jobless rate as measured in May was 16.2%, while the annual averages for Barbados, Belize, Jamaica and St. Lucia were 11.7%, 12.9%, 15% and 23.3%, respectively. The rate for Belize represented an improvement over 2012, but the figures for The Bahamas, Jamaica and St. Lucia marked record highs, reflecting jobless growth in The Bahamas and stagnant economic activity in Jamaica and St. Lucia. For Barbados, a slight increase in unemployment reflected the initial impact of public sector layoffs[7] aimed at drastically reducing the wage bill over the medium term. Anecdotal evidence indicates that unemployment levels also remained elevated in most other BMCs, as job creation continued to lag the recovery in output.

sharpen its poverty focus and develop targeted, responsive and innovative strategies for assisting all BMCs to reduce poverty particularly in the most vulnerable communities in which it is prevalent. It must refocus its poverty reduction efforts which consider not only poor countries but more specifically, poor community clusters in all BMCs.

Slow and Variable Economic Growth and Limited Competitiveness

2.09 Growth in the Caribbean has stagnated in the last two decades, with the notable exception of the commodities exporters. The last rapid growth spurt in the 1980s was fueled mainly by the expansion of tourism, banana production, and public sector investments. The slowdown starting in the 1990s was triggered by the loss of trade preferences with European markets and deterioration of the terms of trade, reduced fiscal space, and demographic trends, including emigration of skilled labour.

2.10 Slower economic growth also reflects deep-rooted competitiveness problems. The decline in competitiveness is corroborated by several indicators including:

(a) a decline in the Caribbean's shares of world goods exports, with anecdotal evidence of manufacturing lines closing due to the difficulty of coping with high costs of inputs, especially electricity;

(b) a decline in the share of tourism arrivals and receipts suggesting the need for product rebranding, renewal and repositioning;

(c) a decline in total factor productivity; and

(d) labour costs that have grown faster than productivity.

2.11 In addition, most Caribbean countries rank poorly on the World Economic Forum's Global Competitiveness Index[8] and that business climate assessments indicate that in addition to high costs, which in most cases show up as major impediments to doing business, weaknesses include limited access to finance, weaknesses in property registration, contract enforcement, and resolving insolvency. There are also security concerns in some countries. The 14 BMCs assessed in the World Bank's (WB) Cost of Doing Business Index 2014 were ranked between 64th and 177th[9] of the 189 countries included in the index.

2.12 The Strategic Plan will promote opportunities to increase BMCs' growth rate by supporting initiatives that broaden access to economic opportunities for more women, men and youth, as well as, to make growth sustainable by assisting BMCs to adopt green growth policies. In 2013, CDB commissioned a study entitled – "A New Paradigm for Caribbean Development: Transitioning to a Green Economy". The study offers new and innovative ideas to promote inclusive, sustainable development as well as assesses the net socio-economic and environmental impacts of moving towards a green economy. It is intended to help countries craft green development strategies by providing practical recommendations to Governments and other key stakeholders in the development process on how to identify and exploit opportunities for productive transformation and by extension inclusive and sustainable development.

2.13 The most important of the opportunities identified in the study for most BMCs is that of reducing their reliance on fossil fuel. These countries propose to reduce their dependence on fossil fuels through the development of more sustainable, indigenous, alternative sources with significant emphasis on RE and EE

[8] One hundred and forty-four countries were assessed in 2014 including six BMCs which ranked as follows: Barbados – 55th; Guyana – 117th; Haiti – 137; Jamaica – 86th; Suriname – 110th; and Trinidad and Tobago – 89th.

[9] St. Lucia – 64th; Trinidad and Tobago – 91st Antigua and Barbuda – 71st; Dominica – 77th; St. Vincent and the Grenadines – 82nd; The Bahamas – 84th; Barbados – 91st; Jamaica – 94th; Suriname – 161st; and Haiti – 177th.

within broader strategies to green other sectors. These areas also represent significant opportunities for the Bank to contribute to the transformation of BMC economies through the development of clean, reliable and lower cost energy supplies leading to more competitive and sustainable development.

Vulnerabilities from Natural Disasters, Climate Change and Environmental Degradation

2.14 The Caribbean is one of the most disaster-prone regions in the world. Rasmussen (2006) finds that the six member countries of the Eastern Caribbean Currency Union (ECCU) rank in the top ten most disaster-prone countries in the world when considering disasters per land area or percentage of population. The rest of the Caribbean is not far behind, with all of these countries among the top 50 hot spots in the world. Vulnerability to frequent natural hazard events has resulted in affected BMCs incurring very high economic costs to replace damaged or destroyed infrastructure. For Caribbean countries, losses from natural hazards have risen from 0.9% of GDP per year in the 1980s and 1990s to 1.3% of GDP in the 2000s. Moreover, the effects of natural hazards on growth and debt are also significant.

2.15 Estimates of economic impact are difficult to quantify, not only because of rapid changes in global climate change projections but also because of the limited climate model projections at suitable spatial scales available for the Caribbean, and the weak inventory of the Region's environmental resources and assets. Various studies have given estimates of 5-30% (annualised values) of GDP. However, even taken at the low end of the range (in absolute terms), the impact of climate change on CDB's BMCs is expected to be detrimental to their long-term growth and development.

2.16 More importantly, the poorest and most vulnerable citizens suffer the most from natural disasters and climate-induced events. Ending poverty will therefore require building resilience to climate change and associated events. The Bank will continue to invest heavily in tackling these issues with the assistance of other development partners. It has been estimated that every dollar spent to reduce risk saves at least four dollars in future relief and rehabilitation costs.

2.17 Vulnerability of BMCs is also evident in the physical environment. This is manifested, for example, in environmental degradation arising from tourism, agriculture and manufacturing and other investment activities because of an apparent disconnect between environmental management concerns and investment objectives. There is also the inter-linkage between poverty and environmental degradation, which results in the loss of resources to the poor or the exploitation and unsustainable use by higher income groups. High rates of soil erosion, degradation of critical coastal and marine resources (coral reefs, wetlands and near-shore fisheries) from land-based sources of pollution, degradation of watersheds, loss of habitats and unregulated changes in land use are significant environmental and natural resource management issues which must be addressed.

Fiscal and Debt Sustainability

2.18 On average fiscal out-turns for 2013 were mixed, with some BMCs, especially those continuing their efforts at fiscal consolidation showing improvement. The fiscal out-turn ranged from 2.2% to minus 6.8% of GDP in 2013, compared with 5.2% to minus 10.3% in 2012. However, the fiscal accounts were still comparatively weak, with large deficits, particularly for The Bahamas, Barbados and St. Lucia. The rationale for these large deficits was the need to maintain social balance and to protect the most vulnerable in society. Public employment is also being 'protected' but concerns remain about the sustainability of public finances.

2.19 The high and rising debt to GDP ratios jeopardise prospects for medium-term debt sustainability and growth. At the end of 2013, nine BMCs had debt ratios above the 60% international benchmark. Barbados, Grenada, Jamaica and St. Kitts and Nevis were among the top ten most indebted countries in the world, with debt to GDP ratios above 100%. Empirical research[10] indicates that at levels above 56% of GDP, debt impacts negatively on growth, and the experience in the Region suggests that the risk of distress becomes acute above 90%. Hence, reducing this high debt is crucial to the future sustainable development of these economies. The need to reduce debt comes at a difficult time of fragile growth and tensions in the regional and international financial markets. However, some progress towards debt reduction has been made by Jamaica and St. Kitts and Nevis with the implementation of IMF-assisted structural adjustment programmes. CDB will continue its support for such initiatives.

2.20 With the onset of the Great Recession, previously unnoticed structural weaknesses in the supervision and regulation of non-bank financial institutions across the Region, as well as mounting risks within the ECCU indigenous banking sector, were revealed. The potential for adverse fiscal impacts from financial sector failures was also amply demonstrated, as were the linkages between the financial and real sectors, given the sharp deterioration in financial sector asset quality witnessed during the recession.

2.21 Notably, for countries with large adjustment needs, fiscal consolidation may need to be a balanced combination of spending cuts and revenue increases (Baldacci, Gupta, Mulas-Granados, 2010), along with debt restructuring. This will also require the implementation of policies to encourage increased private sector investment and participation in growth-oriented economic activities. The Bank will support initiatives to assist BMCs to implement policy options[11] that will help to create the enabling environment for private sector investments. These initiatives will include direct financing, risk mitigating guarantees and innovative financial instruments. The Bank will also promote PPPs in all appropriate circumstances.

Weaknesses in Economic Governance

2.22 In the context of the long-running structural weaknesses, notably in the areas of fiscal management and debt, and in light of the debilitating impact of the ongoing global recession, CDB has supported programmes of adjustment and debt restructuring, strengthened frameworks and institutions for public financial management. Those initiatives have helped minimise the risk of severe fiscal crises and liquidity shortages in the beneficiaries' financial system with the potential for damaging spillovers.

2.23 However, the achievement of BMCs' development goals is seriously compromised by a shortage of well-trained personnel in the fields of PPAM and PCM. Weak planning capacity in line ministries of several BMCs has limited the development of well-formulated sector analyses and strategies, which are critical requirements of a consolidated national development plan. Continued capacity limitations in BMCs particularly in the areas of economic management, legislative and regulatory frameworks, statistics and capacity development are also major impediments in relation to the planning, and implementation of development programmes and projects. These weaknesses also contribute to the lack of a conducive environment for economic transformation, improvement of business competitiveness and private sector growth.

[10] Greenidge, Kevin, Roland Craigwell, Christol Thomas and Lisa Drakes (2012) "Threshold Effects of Sovereign Debt: Evidence from the Caribbean" International Monetary Fund, Washington, D.C.

[11] The Bank has used policy-based operations/instruments to assist a number of BMCs to tackle their fiscal and debt issues. Financial assistance under these operations amounted to $383mn over the period 2006 to 2013.

Citizen Security and Crime

2.24 The United Nations Development Programme (UNDP) - Caribbean Human Development Report on Citizen Security 2012 indicates that there has been an increasing level of violent crime in some countries with well-defined gender imbalances among the perpetrators and victims of domestic crime, despite the efforts of the crime agencies. Increasing levels of violent crime have the potential to put at risk the performance of key productive sectors, particularly the hospitality industry, and render already fragile economies unattractive to investors. Further, the increase in violent crime has induced policy-makers to divert resources from the provision of social services, including education, to activities related to security and protection. Citizen security, therefore, has become a central public policy issue that is worthy of serious attention by both governments and development agencies. CDB recognises the urgency with which this issue must be addressed if the Region is to protect and build on previous socio-economic gains.

PROSPECTS AND OPPORTUNITIES

2.25 The recovery in regional tourism is expected to strengthen with the anticipated faster growth in the US and return to growth in the Euro area, as well as expectations of improved airlift and reduced fuel costs resulting from further declines in commodity prices. This recovery, together with global FDI growth projected at around 10% in 2014 should have further spin-off benefits for construction and other real sector activity in BMCs. In the context of the Bank's proposed goal for the energy sector[12], it is expected that significant opportunities will emerge for supporting initiatives that will lead to lower energy costs and enhanced competitiveness in the tourism and other industries.

2.26 Factors such as high energy cost, infrastructure gaps, and institutional and regulatory weaknesses make it difficult for BMCs to build the type of competitive advantages that could lead to economic diversification. The need for additional fiscal adjustment in several BMCs is juxtaposed with the need to increase investment in infrastructure and undertake critical policy reforms needed to create a more enabling environment for private sector development and economic growth. BMCs must urgently build competitiveness through the removal of institutional and regulatory impediments. The Bank will enhance the focus of PBOs and other instruments of assistance towards the outcomes which will increase competitiveness and encourage innovation.

2.27 Private sector development and economic diversification are critical to building competitiveness and managing vulnerability. Imperatives in this regard include development of foreign exchange-earning and 'green growth' sectors, including the potential for BMCs to capitalise on their endowments of RE resources to drastically reduce their dependence on costly imported fossil fuels.

2.28 Economic diversification will also require matching of human capital development policies with changing sectoral distribution and demand for skills, in order to close gaps in educational quality in the Region. Also critical to competitiveness is improving production efficiency and desegregation of the labour force, in which men and women are still channeled along traditional gender roles, to reduce costs and increase productivity. With the appropriate policy and legal framework in place, technology – including connectivity and collaboration tools, energy-efficient and/or RE-based systems and information and communication technology (ICT)-enabled skills development – could be a key driver of efficiency gains.

2.29 Given the fiscal constraints they face, policymakers must urgently pursue reforms to public financial management and other areas of economic management, including the development of statistical capacity, to ensure efficient, evidence-based allocation and use of resources.

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[12] The proposed goal of the Bank for the energy sector in its BMCs is to significantly increase energy security and sustainability in all its BMCs, by establishing an energy sector that ensures least cost, affordable and reliable energy services for all segments of the society through more diversified, clean and sustainable energy options, to support citizens' well-being, internationally competitive industries, and to drive growth.

2.30 Demographic trends such as population aging and high rates of migration, inclusive of significant ‘brain drain’, also pose significant challenges for regional policymakers. Population aging is a growing socio-economic phenomenon in most BMCs, given rising dependency ratios that have adverse implications for pension and welfare schemes and government expenditure on public services such as health. Priority must also be given to the introduction and maintenance of well-targeted social safety nets.

2.31 Several BMCs are also among the countries with the highest level of ‘brain drain’ in the world, which reduces competitiveness by lowering skill levels in the workforce. However, in the context of increasing global factor mobility, a country’s attractiveness to migrant flows is becoming more important for competitiveness than its initial resource endowments. Going forward, regional policymakers need to look again at immigration policy in the context of the competitiveness imperative, especially given the widely accepted economic benefits of free movement of labour within the Region.

2.32 Despite the many structural and other factors constraining BMCs’ development, the future also offers several opportunities for BMCs to advance their socio-economic development by making difficult but necessary policy decisions. In this regard, policymakers should seek to create an environment in which the private sector can become more competitive and emerge as the new engine of *diversified, green economic growth,* job creation and poverty reduction. Creating such an enabling environment will require them to restructure the ECCU indigenous banks, resolve the CL Financial and develop appropriate regional supervisory and regulatory frameworks if the financial sector is to fulfil its catalytic role by providing resources to spur growth.

2.33 It will also call for innovative approaches to setting education and ICT policies that will ensure increased equitable access to quality education that is relevant to the demands of the private sector and foster a culture of entrepreneurship and technological readiness, as well as a legal/regulatory framework that is conducive to private investment in ICT infrastructure. Policymakers must provide incentives and support in the form of marketing services and product research to encourage the growth of emerging industries such as culture, sports, music and the arts as prospects.

2.34 Fast-tracking the regional integration agenda in order to leverage regional resources and synergies is a critical necessity. Safeguarding the environment is an imperative which demands strong commitment, including the allocation of meaningful resource levels, to improving disaster management and implementing the climate resilience agenda as regards mitigation and adaptation.

3. THE CARIBBEAN AID ARCHITECTURE AND CDB'S ROLE AND RELEVANCE

3.01 The international community is expected to shortly agree on a new sustainable development agenda (the Post - 2015 Agenda) and the means for implementing it. Indications are that this Agenda will be focusing on the eradication of extreme poverty, but also addressing broader environmental, economic and social sustainability challenges. The work on this Agenda has also highlighted the need to collect better information on all resources available to developing countries from different sources of development finance, and to assess their comparative advantages for achieving the sustainable development goals.

3.02 A large number of bilateral and multilateral agencies, and MDBs comprise the regional aid architecture and provide development assistance to CDB's BMCs in a wide range of sectors and thematic areas critical to their economic and social development. Appendix 4 - "A Matrix of Development Institutions Operating in the Region by Sector" - sets out the institutions which are active participants in the Regional Aid Architecture and identifies the sectors in which they operate. In many instances, these institutions already work collaboratively with the Bank. However, the matrix permits a clearer understanding of the further possibilities for collaboration and partnerships amongst donors in the Region.

3.03 The Bank is also part of a network of Caribbean institutions and agencies including those of CARICOM and the Organisation of Eastern Caribbean States (OECS). Appendix 4 also sets out the major regional institutions and agencies with which the Bank partners on various development issues and upon which the role, relevance and effectiveness of the Bank is critically reliant.

3.04 WB, IDB, EIB and CDB are the key MDBs active in the Caribbean region as providers of significant amounts of concessional financing. In the period from 2009 to 2013, these institutions together approved $7.4 billion (bn) in development financing. Together WB and IDB accounted for 86% of the financing and CDB provided 13%. Of the CDB financing, 63% was provided to its less developed members including Haiti. Haiti was the largest single recipient of assistance from IDB and WB followed by Jamaica. Trinidad and Tobago received $900mn in financing from IDB in the period. Another important donor institution operating in the Region is the European Development Fund (EDF). In 2012, EDF agreed to provide Euro 165mn to the Region (CARIFORUM members) to aid in the implementation of the CARIFORUM-European Union (EU) Economic Partnership Agreement (EPA). The programme is being implemented over a seven-year period.

3.05 BMCs have access to a wide palette of resources, ranging from concessional public to private capital from both traditional and non-traditional sources. This increases the complexity of the development finance architecture from the countries' perspective. The number and the complexity of the requirements of the many development partners potentially increase the transaction costs and challenges associated with accessing these resources. This is particularly so in the case of the more specialised international institutions recently set up to deal with such matters as climate financing. Accessing these resources require very high standards of administrative and governance arrangements which provides the opportunity for CDB to intermediate these resources to BMCs as well as to support the strengthening of BMCs' country systems and capacity to coordinate and use aid.

3.06 The Bank has been able to broaden its role as funds administrator and implementing agency on behalf of other development partners in a wide range of initiatives covering a number of themes and sectors including:

- Caribbean Aid for Trade and Regional Integration Trust Fund [Department for International Development of the United Kingdom (DfID)];

- Community Disaster Risk Reduction Fund [Department of Foreign Affairs, Trade and Development (DFATD)];

- Sustainable Energy for the Eastern Caribbean (SEEC) Programme [DfID, Caribbean Investment Fund (CIF)];

- EPA and CARICOM Single Market and Economy (CSME) Standby Facility [EU];

- Micro Insurance Catastrophe Risk (Haiti) Fund [DfID] and (Agriculture) Fund; and

- Fund for Sugar Replanting in Belize [EU].

CDB will continue to work closely with the many traditional development agencies, as well as to forge stronger relations with the non-traditional donors.

Comparative Advantage

3.07 CDB serves BMCs that are in most cases small island nations sharing similar development circumstances, challenges and constraints. It is an important provider of concessional financing to the less developed countries and, in larger markets such as Belize, Guyana and Jamaica. The other MDBs either have no, or very minimal, presence in the United Kingdom Overseas Territories and the OECS member countries where CDB is a primary source of development financing.

3.08 CDB derives comparative strength and advantage from its close relationship with BMCs, an understanding and knowledge of the problems and dynamics of the Region, easy access of Bank personnel to policymakers and administrators as well as the institutions of civil society, the ownership and confidence that BMC governments have in their own regional institution, and the Bank's physical location in the Region and proximity to most BMCs. In recent times, the Bank has extended this comparative advantage to an expanded membership with different traditions, language and institutional experience with the inclusion of Haiti and Suriname.

3.09 The Bank has a recognised comparative advantage in its substantially lower costs for the appraisal and supervision of projects of the size that characterise the economies of the Caribbean (for larger institutions, their cost structure renders it more difficult for them to justify a focus on these types and size of projects, whether in the social or productive sectors). It also undertakes grant and loan TA, public sector lending and private sector operations within a single organisation, and can take advantage of various synergies. Its exclusive focus on the Caribbean and closeness to its BMCs gives it a special role in relation to RCI and to the strengthening of governance and the institutions of civil society, as well as a high acceptability as a partner in poverty reduction at the national level. The Bank is also well-established to encourage and convene constructive dialogue on key regional development issues.

3.10 CDB has gained substantial experience over more than 20 years in the design and delivery of community-based programmes of direct relevance to the poor. The lessons learnt from its long history of helping small rural and urban communities to design and implement community-based solutions to local problems of basic infrastructure deficit, and a dearth of skills, geared towards improving the quality of life of poor people. This is particularly true of the BNTF programme which has been in existence for over 30 years and is operational in 10 countries. In addition, considerable work has been done by the Bank on the policy and institutional elements that are essential for strengthening pro-poor governance, including Country Poverty Assessments (CPAs) and the development of national poverty reduction action plans and strategies.

3.11 The Bank has increased its institutional knowledge and experience in the analysis and development of solutions for addressing debt and fiscal situations in its BMCs as it has become more involved in directly assisting BMCs to improve their fiscal position and improve their debt dynamics. This has taken the form of technical assistance (TA) grants, loans or guarantees geared towards the introduction of appropriate reforms and, in other cases, the TA has been accompanied by PBLs/guarantees designed to support the reforms and debt restructurings. In addition, the Bank has increased the menu of possible solutions available to BMCs' policymakers through the development and publication of a study entitled "Public Sector Debt in the Caribbean: An Agenda for Reduction and Sustainability".

3.12 The Bank is recognised as an important development institution in the Caribbean, with a broad development mandate, and well-placed as a focal point for dialogue, intermediation and extended partnerships on behalf of BMCs, and for the strengthening of regional ownership of development programmes. A leadership role by the Bank and leveraging of its comparative advantage will be of critical importance in assisting BMCs to meet current challenges. The Bank's comparative advantage should be a primary factor in the development of country programmes and in the selection and design of individual projects.

3.13 Even in areas or circumstances where the Bank does not possess all of the in-house expertise for addressing a particular issue, the multinational nature of CDB's shareholding and development partnerships, has allowed the Bank to develop relationships and networks through which it can mobilise expertise to deliver assistance.

Extending the Mandate to a Wider Caribbean

3.14 The Bank has always sought to widen its mandate based on the membership of CARICOM and to play a broader role in responding to the needs of the Region. Borrowing membership is now extended beyond the English-speaking Caribbean and includes Haiti and Suriname. Exploratory discussions about membership are also ongoing with other Dutch-speaking Caribbean countries while on the non-borrowing side, the early completion of membership formalities for the entry of Brazil is anticipated. Brazil's membership will bring new opportunities for enhanced Caribbean/Latin America relations and widen the possibilities for South/South cooperation on development matters.

3.15 In more recent times, the widening of that mandate is also driven by the urgent necessity to expand the Bank's loan portfolio and to diversify country credit concentration risk. There is the additional benefit of the new members' input to increasing capital subscriptions as well as contributions to the SDF (U).

3.16 This new and wider role poses special challenges for the Bank, but is counterbalanced by the prospective large benefits. These changes will create a vastly different CDB, with additional challenges, a wider role, and different traditions of culture, governance and language to internalise and work with. Meeting these challenges would require strong support from the existing membership, both regional and non-regional.

3.17 The Strategic Plan takes into account the special needs of the new members, and give priority to preparing the Bank to meet these challenges including the development of new and appropriate partnerships, and country assistance strategies.

4. PROJECTED OCR DISBURSEMENTS 2014 - 2019

4.01 There are a number of factors that will determine the level of CDB's disbursements during the planning period. Foremost among these is capacity – both within the Bank and in countries. There are constraints within country that determine the pace at which these projects will be implemented. These constraints include institutional capacity, especially in key areas such as project management and legislative drafting.

4.02 Since the onset of the effects of the Great Recession, fiscal space has also emerged as a critical limiting factor among many of the Bank's BMCs, with countries reducing their capital expenditure programmes to contain their fiscal deficits. Critically, while the absence of fiscal space has eroded a significant portion of the demand for financing of capital projects (new borrowing), borrowing requirements remain large, as deteriorated fiscal positions of BMCs have limited the financing options available for satisfying that portion of their borrowing requirement related to amortisation. Consequently, there exists a significant demand for budgetary support through PBOs. The ability of CDB to provide such financing, however, has been limited by the available headroom under the PBO policy.

4.03 The Bank has also strengthened its risk management procedures, which necessitates a more delicate balance between lending to investment-grade BMCs to reduce concentration risk, and the need to demonstrate relevance in higher-risk countries.

4.04 The OCR demand projections are presented in Table 3, where $782.7mn in OCR and $270mn in SFR disbursements is anticipated during the Plan period. These projections were used to develop the financial forecasts for the Strategic Plan. It should be noted that there is more uncertainty in the forecasts as they are projected beyond 2016.

TABLE 3: TIME-SERIES MODEL OCR AND SFR DISBURSEMENT FORECASTS 2015-19

($ mn)

	Investment Loans [1]	**Policy Based Loans[2]**	**Total Projected OCR**	**Total Projected SFR[3]**
2015	95.4	40	135.4	50
2016	101.5	50	151.5	55
2017	108.1	50	158.1	55
2018	115.1	50	165.1	60
2019	122.5	50	172.5	60
2015-19	**542.7**	**240**	**782.7**	**270**

(1) 2015-19 forecasts for investment loans are based on the 2013 actual values and estimates for 2014
(2) PBL forecasts for 2015-19 are based on available PBL headroom, actual PBL data to 2013, estimates for 2014
(3) SFR disbursement figures aggregates loans and grants for TA, BNTF and Haiti etc.

4.05 The eight most populous member countries[13] of the Bank are also member countries of IDB. This defines the competitive environment in some important ways, and CDB has carved out some niches in these countries for itself over time. Suriname recently[14] joined the Bank, and a Country Strategy has been completed. The first approved loan for Suriname is expected in 2014, but it will take some time for implementation momentum to be built, especially since there is no in-country experience with

[13] The Bahamas, Barbados, Belize, Guyana, Haiti, Jamaica, Suriname and Trinidad and Tobago.
[14] September 17, 2013

implementing CDB projects. However, disbursements are expected to intensify in the latter portion of the planning period. Efforts are being made to increase lending in The Bahamas and Trinidad and Tobago in order to enhance portfolio diversification and quality. Lending to Jamaica is constrained by the agreements under its IMF programme, together with single-country exposure considerations for CDB. The reform effort and requirements in Barbados suggests a strong role for growth and fiscal policy-based lending, while infrastructure needs in Belize provide significant scope for capital project lending.

4.06 The policy priorities that define the lending environment among some BMCs are fiscal consolidation and financial sector rehabilitation. Antigua and Barbuda, Grenada, St. Lucia and St. Vincent and the Grenadines are all pursuing fiscal consolidation of various levels. Some of the reforms and policy measures required to achieve fiscal sustainability and accelerate growth will form the basis for policy-based lending in some of these countries. In Dominica and St. Kitts and Nevis, there have been lulls in CDB’s lending programme because of aid flows from bilateral sources and a formal fiscal consolidation programme, respectively. However, a number of projects have been identified that is anticipated to increase lending activities in these two countries.

4.07 Disbursements during the planning period are likely to reflect the underlying trend of the last five years. There are two factors that could cause an upward structural shift in the time-path of disbursements, and these are the membership of Suriname, which has the potential to increase the average loan size; and the extent to which budgetary support can be provided to BMCs at a time when that support is vital to the orderly development of BMCs. The need extends beyond the financing requirements of BMCs, and extends to the role that CDB can play in helping to support much-needed fiscal and growth-oriented reforms through its budgetary support.

5. STRATEGIC DIRECTION

5.01 BMCs will need increased levels of assistance [financial and technical] to address the challenges and to take advantage of the opportunities set out in Section 2 of this Paper. In this regard, the primary goals which will confront the Bank in its next planning period (2015 – 2019) are to assist BMCs to:

(a) reduce poverty and inequality through inclusive and sustainable economic growth[15]; and

(b) promote good governance.

5.02 In responding to these issues, BMCs must be mindful of the need for fiscal prudence and to ensure that sovereign debts are maintained at sustainable levels. Hence, CDB's assistance during the Plan period will continue to be driven by the following considerations:

- keeping the cost of non-concessionary flows to BMCs as low as possible particularly for the very small countries of the OECS with few alternative sources of development financing apart from CDB;

- increasing the flow of positive net transfer of both concessionary and non-concessionary resources to BMCs;

- focusing the preponderance of CDBs' limited resources on core sectors which support long-term inclusive and sustainable growth and resilience, i.e. education and training, transport and communication infrastructure, water and sanitation, agriculture and rural development, and environmental sustainability including disaster risk reduction, environmental management and climate resilience including RE and EE while researching new and emerging sectors;

- ramping up support to private sector development and operations as a means of stimulating economic transformation, growth and employment, and mitigating the impact of governments' fiscal challenge;

- introducing new mechanisms to increase the flow of resources to BMCs including the facilitation of agency/trust operations on behalf other development partners and further developing such conditions which will allow the further use, where appropriate, of policy-based financing instruments; and

- strengthening CDB's portfolio growth through membership expansion, launching of new private sector thrust, increasing visibility and presence in BMCs and intensive marketing in countries where an increase in their portfolio share would positively impact CDB's borrower concentration risk profile and creditworthiness.

5.03 It is now universally accepted that the sustainable reduction of poverty depends on economic growth that is inclusive, and environmentally sustainable, and supported by transparent and accountable governance institutions and systems that promote equitable distribution of wealth and access to public services especially by the poor.

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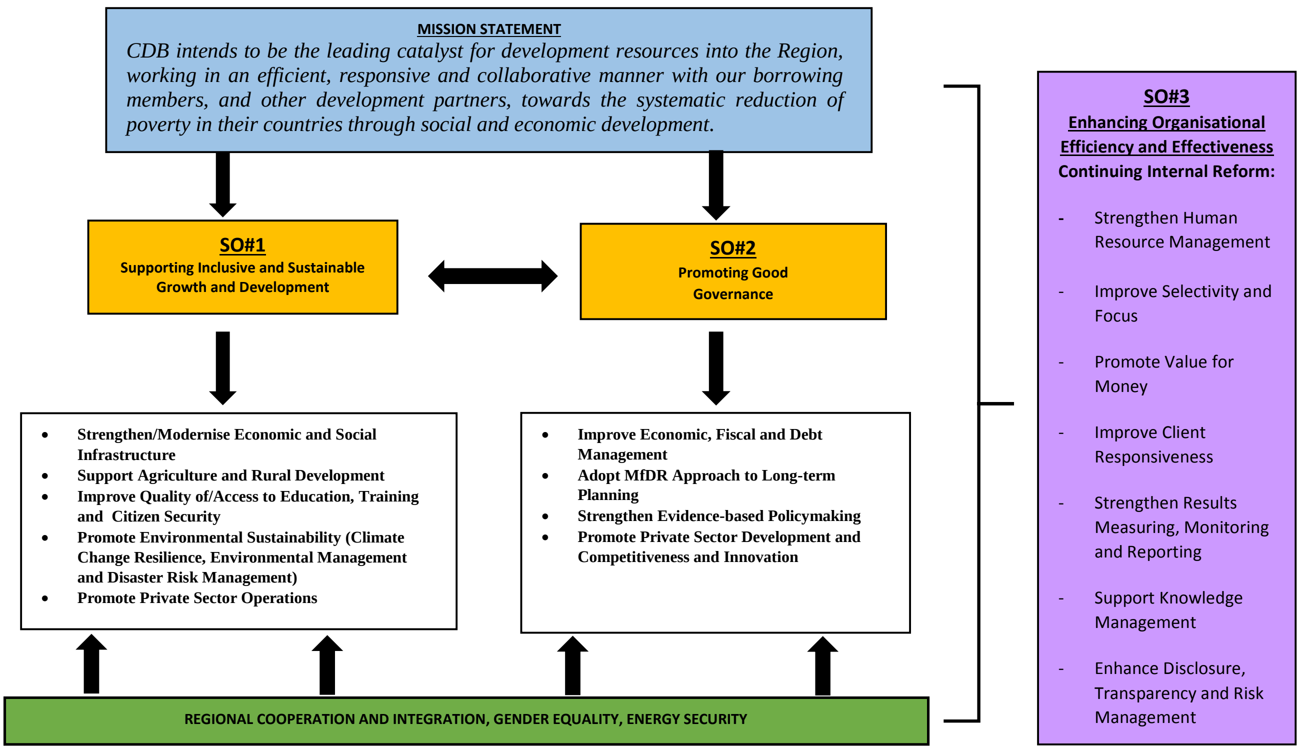
[15] Including the strengthening of their resilience to external shocks and natural hazard events.

5.04 In this regard, the Plan also takes into account that Caribbean governments and their development partners have initiated a structured, transparent and accountable process of engaging all stakeholders with the objective of accelerating reform and change, to promote private-sector led growth. This unfolding Growth agenda[16] has the full support of the Bank and the Strategic Plan is designed to support BMCs in the implementation of the priorities which are focused on accelerating growth that is sustainable. The implementation of the Strategic Plan will be effected through sector and thematic policies and strategies, as well as country assistance strategies. Existing sector and thematic strategies will be reviewed and updated where necessary to ensure alignment with the proposed strategic objectives and priorities.

Strategic Objectives and Corporate Priorities

5.05 The proposed Strategic framework for the period 2015 to 2019 is set out in Figure 1 below.

STRATEGIC FRAMEWORK 2015-2019



[16] Following years of low growth, high unemployment, high debt ratios, growing vulnerability to external shocks and poverty and increasing inequalities, many countries in the Caribbean region (including 14 BMCs) and their development partners have embarked on a critical effort to rethink their approach to growth. In this regard, the Caribbean Growth Forum (CGF) was launched in June 2012. This has led to the formulation of 12 Action Plans (for 12 countries) which contain 385 agreed national and regional priorities divided in the three pillars of the CGF: Logistics and Connectivity; Investment Climate and Skills and Productivity. With the CGF, Caribbean governments have initiated a structured, transparent and accountable process engaging all stakeholders with the objective of accelerating reform and change, to promote private-sector led growth.

5.06 CDB will make substantive contributions toward the achievement of its mission by focusing its support on two distinct but complementary development objectives of: *supporting inclusive and sustainable growth and development, and promoting good governance*. These two objectives will be supported by the mainstreaming of three cross-cutting areas, i.e., *gender equality, RCI, and energy security.* The capacity and capability of the Bank to execute its mission and objectives, and to be responsive to the changing needs of its clients is conditioned by how well its organisational structure, business systems and processes, and human resources are aligned with its overall strategy. Hence, the enhancing of organisational efficiency and effectiveness will be an important institutional objective for the Bank during this period. The priorities outlined in the Strategic Framework are reflected in the structure, organisation and choice of indicators for the RMF (See Section 7).

Supporting Inclusive and Sustainable Growth and Development

5.07 CDB's support for *achieving inclusive and sustainable growth and development* in BMCs will be realised through investments in economic and social infrastructure, education and training, agriculture and rural development, private sector development, water and sanitation, environmental management, climate resilience, EE, RE and DRM. Initiatives in these core areas will be identified through sector/thematic policies and country assistance strategies. In this regard, existing sector and thematic policies and strategies will be reviewed and new ones developed as required.

5.08 CDB's choice of these core areas of operation is influenced by its comparative strengths, its proven record of achievement and its access to additional support through partnership and collaboration with key development partners that operate in these sectors [Refer to Appendix 4 – Matrix of Development Partners operating in the Region by Sector/Themes]. Additional support will be derived from the urgent and important research and knowledge base being developed through the ongoing work of the CGF and CDB's own internal research programme.

5.09 The Bank expects that during the Plan period, its lending portfolio will continue to be dominated by economic and social infrastructure, and education and training which together will account for 50% of new commitments. Newer areas of focus, i.e. EE and RE, climate resilience and private sector operations and development will account for 25% of new commitments.

Economic and Social Infrastructure

5.10 All BMCs suffer from significant infrastructure deficit which must be remedied if they are to improve the prospects for increasing growth and employment and reduce the negative impact on citizens' daily access to goods and services and quality of life. The Bank provides support for investment to improve transportation (road, marine and air); enhance water resource development[17] to support agriculture, energy, and industry; improve energy security through promoting the use of RE and EE as means of reducing energy costs in BMCs and to spur economic growth; enhancing conventional energy production systems; and to build resilience to natural hazard events in the context of environmental sustainability and climate change.

5.11 Many BMCs are classified as water-scarce or water-stressed, and face significant challenges within their water sector. These include high levels of water losses, inadequate tariffs, aging infrastructure and insufficient capital investment, poor regulatory and institutional arrangements for effective integrated water resource management. These challenges are exacerbated by risks associated with climate change and variability and impacts most severely on the poorest and most vulnerable citizens, whose livelihoods are critically linked to access to water resources. In 2013, the Bank commissioned an assessment of the water

[17] In 2013, the Bank commissioned an assessment of the water sector in BMCs. The completed study will be used to guide the Bank's interventions in the sector during the Plan period and beyond.

sector in BMCs. The completed study will be used to guide the Bank's interventions in the sector during the Plan period and CDB's financial assistance to the sector is expected to amount to 10% of new commitments.

Agriculture and Rural Development

5.12 Agriculture and related activities (forestry, fisheries, agro-processing etc.) are significant contributors to economic growth, social development and poverty reduction in many CDB BMCs. The sector's contribution to GDP, whilst on a general downward trajectory, remains higher than 20% in two[18] BMCs and over 10% in another two[19]. The decline in the sector's performance has reduced incomes and living standards, particularly in rural areas, leading to an increase in rural poverty and rural to urban migration in several countries. Meanwhile, the Region's food import bill continues to increase, reflecting a growing inability of CDB's BMCs to meet their dietary needs from domestic production.

5.13 Notwithstanding, the sector remains a significant contributor to employment, income and food and nutrition security even in countries where the contribution to GDP is low[20]. Furthermore, the contribution to family food security by subsistence producers, mostly women, is not reflected in GDP calculations. With global forecasts of higher and more volatile global food prices, and dim growth prospects in non-agricultural sectors across the Bank's BMCs, the agricultural sector is likely to remain important in the fight against poverty and hunger, and in addressing economic stagnation associated with the Great Recession.

5.14 Conditions for agricultural production in BMCs are very diverse and as such, interventions will reflect the peculiarities of each country. In some BMCs, the sector is no longer the dominant economic activity in rural areas, whilst due to natural endowments some countries are more suited to large-scale production than others. The Bank's investment portfolio will accordingly reflect the profile, changing fortunes of the sector and country-specific resource endowments. The major recipients of CDB financing will remain national governments and financial institutions. However, given the importance of agricultural research and value addition to ongoing efforts to reform the sector, the Bank also foresees more direct support to regional agricultural research and associated institutions. This sector is expected to account for approximately 5% of new commitments during the Plan period.

Education and Training

5.15 Consistent with the MDGs, the Caribbean along with many jurisdictions of the international community has been focused on ensuring equitable access to quality education by males and females. Indeed, Caribbean countries, with the exception of Haiti, have achieved universal access to primary education and, consistent with the goals of the CMDGs, the majority have also achieved universal secondary education. However, despite significant educational investment[21], the quality of education in the Caribbean remains below expectations. The average pass rates for standardised tests in basic education in core subjects such as English and Mathematics are less than 50%. Many students lack employability competencies and basic skills in ICT and other disciplines deemed critical for access to and, success in, the work place. Indeed, certifying graduates including out-of-school youth, in demand-driven Technical and Vocational Education and Training (TVET) programmes, remains an existential challenge.

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[18] Guyana and Haiti.
[19] Belize and Dominica, with the 2013 estimate for Suriname being 10.2%.
[20] An example being Jamaica - the sector's contribution to GDP in 2011 was 5.4% whilst providing employment for approximately 18% of the labour force.
[21] Educational expenditure as a percentage of GDP range from a low of 3.9% to a high of 9.3%. This compares with the Organisation for Economic Co-operation and Development (OECD) average in 2008 of 5.2% of GDP. However, for the majority of BMCs in terms of purchasing power parity, OECD and other developed countries typically spend up to four times as much in relation to expenditure per student.

5.16 Although it is important for improving competitiveness, productivity and economic growth, access to higher education remains low with less than 15% of the Region's secondary school graduates entering post-secondary institutions. There is a continuing urgent strategic imperative to improve the access, quality and relevance of education in the Region, by addressing both contextual and systemic deficits which inhibit achievement of regional human resource development outcomes. In partnership with other MDBs, and consistent with national education development plans and regional sector strategies, the emphasis of CDB's assistance programme in education will focus on improving:

(a) access to quality early childhood development to support the full cognitive, socio-emotional, linguistic and physical development of the child for enhanced life-cycle participation, retention and success in learning;

(b) the relevance of training for increased workforce participation, particularly for unemployed youths and at-risk persons, and promoting gender-equitable access to non-traditional occupational areas and employability skills enhancement; and

(c) the quality of teacher effectiveness by supporting key enabling factors including quality school leadership and teacher development and access to pedagogical resources particularly for the Science, Technology, Engineering and Mathematics (STEM) disciplines.

5.17 The issue of ensuring the quality of education has also received attention from the CARICOM Heads of Government. The Twenty-Fifth Inter-Sessional Meeting of the Conference of CARICOM Heads of Government held in March 2014 mandated the establishment of a Commission on Human Resource and Social Development to develop a Regional Education and Human Resource Development 2030 Strategy and an implementable Action Plan and Roadmap that would form the basis for converged action by Member States, and create a framework for the CARICOM Education Agenda. CDB will be represented on this commission, which is expected to complete its work by February 2016; and the Bank's future engagement in the education sector will be influenced by its approved recommendations.

Citizen Security

5.18 In many BMCs, crime and violence assumed major importance as obstacles to development, with far-reaching consequence for the affected countries. The importance of public security as a primary requirement for economic progress cannot be underestimated. To assist BMCs to address this issue, the Bank will support initiatives aimed at:

(a) strengthening the role of the school as a socialisation and transformation agent;

(b) enhancing community cohesiveness including providing after-school care;

(c) building resilience of at-risk youth including the provision of second chance education training opportunities; and

(d) decreasing domestic and gender-based violence.

Environmental Sustainability, Climate Resilience and DRM

5.19 There are few credible estimates of the economic impact of climate change on Caribbean countries in a “no adaptation scenario”. Various studies have given estimates, which range from between 5-30% (annualised values) of GDP. However, even taken at the low end of the range (in absolute terms), the impact of climate change on CDB’s BMCs is expected to be devastating to their long-term growth and development.

5.20 CDB approved its Climate Resilience Strategy specifically to:

(a) develop and operationalise a robust environmental sustainability risk framework that explicitly included climate resilience, for CDB’s operations; and

(b) assist BMCs and regional institutions to mobilise financing, design, and implement policies, strategies and investment programmes to address climate resilience and deliver on their sustainable development objectives.

The strategy will form the basis for CDB’s activities in the area during the Plan period.

5.21 The priority areas for CDB’s intervention as agreed under this strategy are:

(a) improving the resilience of the Bank’s investment portfolio in core climate sensitive sectors of water, agriculture, physical infrastructure (transportation, coastal and river defences);

(b) financing investments and initiatives that will increase the economic competitiveness of the private sector, helping to develop new products and services while capturing other benefits such as improved energy security, through improved EE (using both supply and demand side measures), and the expansion of investments in RE sources. The adoption of new technologies that promote reduction in greenhouse gas emissions from sources such as: transportation, solid waste, water and wastewater treatment systems;

(c) knowledge building and capacity development for integrating Climate Resilience in the design of CDB’s own work programme and investment projects, providing support at the regional and national levels to design and mainstream climate risk management strategies in regional, national and sectoral policies, share knowledge and skills and facilitate the design of appropriate legal, administrative and governance arrangements that will provide the enabling environment for the successful implementation of climate resilient programmes;

(d) mobilise and facilitate access to concessionary resources from global and bilateral sources to support BMCs to implement effective climate resilience strategies and investments as part of their long-term development programmes; and

(e) design and implementation of gender-sensitive community-based climate adaptation programmes and projects.

Private Sector Operations and Development

5.22 The Bank intends to systematically expand its private sector operations to support the creation of an enabling environment for private sector development. CDB's private sector policy and strategy are being revised to allow for risk-based assessment and appropriate pricing of private sector loans, as well as to provide a platform for portfolio diversification.

5.23 In addition, the Bank has undertaken a comprehensive study entitled - Public-Private Partnerships in the Caribbean – Building on Early Lessons. The study has been commissioned in order to provide the knowledge base for CDB's initiatives to assist BMCs to build the necessary regulatory and institutional frameworks for supporting PPP projects.

5.24 CDB recognises that private sector development and participation is not a panacea for all of the growth issues faced by BMCs particularly as the private sector in some countries display strong risk-aversion to non-merchandising endeavors. Nevertheless, joint approaches by development partners to developing and implementing private sector assistance packages are likely to yield positive results. The Bank will particularly support initiatives focused on building competitiveness, innovation and entrepreneurship, among women and men and within small and micro enterprises, through reform of legal, regulatory and institutional infrastructure and the use of technology.

Promoting Good Governance

5.25 Good governance is a necessary condition for promoting the systematic reduction of poverty. The quality of governance is critical for economic transformation, improving competitiveness, the promoting of inclusive sustainable growth and ensuring their overall contribution to reducing poverty in BMCs. CDB's objective of promoting good governance as set out in its strategy on Governance and Institutional Development aims to support BMCs' efforts in six key areas:

(a) supporting the creation of a modern, effective and accountable public sector capable of delivering valued public services;

(b) capacity development for macroeconomic management and policy coordination;

(c) encouraging social partnerships and wider participation in national consensus-building, local development planning, and the provision of local public services that benefit the poor;

(d) supporting the establishment and strengthening of regulatory systems for social protection and orderly private sector development;

(e) encouraging regional cooperation through strengthening regional governance mechanisms as well as national capacity for implementing regional and international commitments; and

(f) mainstreaming governance in the Bank's operations.

5.26 In the context of the current economic environment, priority will be given to outcomes focused on: improving economic management including public sector investment programming; debt and fiscal management; strengthening evidenced-based policy-making; supporting the adopting of MfDR approaches to long-term planning; promoting competitiveness and innovation through policy reforms; and creating the environment for private sector-led growth.

5.27 The Bank will address these issues through the comprehensive implementation of its Governance and Institutional Development Strategy (currently being reviewed). In addition the shortage of well trained personnel in the fields of PPAM and PCM will be more directly addressed through the re-establishment of the CDB's PPAM, and PCM training programme. The training modules of this programme are designed to complement the ongoing initiatives conducted by the Caribbean Technical Assistance Centre (CARTAC) and other development partners. It expected that 15% of new commitments will be made to governance-related initiatives, mainly through PBOs.

Cross-cutting Areas

5.28 The Bank has identified three cross-cutting areas (refer to para. 5.05), the mainstreaming of which is expected to stimulate growth, leverage broader development assistance and improve CDB's role as a development partner. More importantly, these cross-cutting areas support and broaden the development impact of the Bank's interventions for reducing poverty in BMCs.

Gender Equality

5.29 Gender equality is recognised as a driver of growth and a critical contributor to economic efficiency and effectiveness. Research of the past five years confirms high rates of poverty among households headed by women, gaps in women's access to the productive assets in the Region and the loss in human capital affected by the differential educational outcomes for boys and girls in education and training. The Bank will continue to promote gender issues in its broad development agenda to create conditions to achieve sustained economic growth, social inclusion and to contribute to effective poverty reduction.

5.30 Strengthening gender mainstreaming will contribute to this objective, through rigorous gender analysis and inclusion of specific gender outcomes in the design of CSPs and projects; provision of gender disaggregated data through country gender assessments, research and re-designed CPAs; and stronger gender policy dialogue and explicit gender monitoring in BMCs. To complement these measures, CDB will work to increase knowledge and communications on gender equality and will take further steps to enhance the capacity of Bank staff and implementing agencies in BMCs. CDB will continue to support the work of an internal Community of Practice on Gender and gender professionals in the Region to facilitate knowledge sharing and peer support. CDB's operations will be guided by its Gender Policy and Operational Strategy and Gender Equality Action Plan.

RCI

5.31 Support for RCI is part of CDB's core mandate under its Charter. Moreover, RCI offers the best opportunity for the small countries of the Region to accelerate growth, reduce economic disparities and facilitate closer policy coordination and collaboration on a range of issues affecting their development including regional and global public goods. A Focal Point for regional programming has been established in the new Technical Cooperation Division of the Projects Department. Direct support for regional cooperation will focus on three areas:

(a) strengthening statistical capacity for improved decision-making and results reporting, including in terms of targets to be agreed under the Post-2015 Agenda;

(b) strengthening legal and regulatory systems in BMCs including support for resolution of the financial sector crisis in the ECCU; and

(c) support for efforts to improve intra-regional logistics, including transportation for better movement of goods and persons.

5.32 In each of these areas, the Bank will collaborate with development partners, as in the case of the financial sector in the ECCU, where the Bank is working with the IMF, WB and Eastern Caribbean Central Bank, and in strengthening statistical capacities, where development partners include the University of the West Indies (UWI), CARICOM, DFATD, United Nations Children's Fund, CARTAC, DFID, UNDP and the WB.

5.33 In addition, the Bank will seek to encourage regional, sub-regional or transnational approaches to other types of interventions. In this regard, CDB will deepen its collaboration with CARICOM on the issue of the Bank's membership expansion and advocacy for increased concessional support to BMCs by the international development community. It will also expand its support for the OECS Economic Union to adopt regional approaches where appropriate for addressing sub-regional and national development challenges particularly in the areas of education, statistical capacity, transportation and trade and energy sector regulation.

Energy Security

5.34 A broad range of stakeholders, have expressed strong support for CDB's strategic emphasis on EE and RE as a cost-effective and sustainable approach to meeting the Region's growing energy demands and to address the issue of low levels of business competitiveness. The advantage of mainstreaming EE and RE is to allow for the collaborative[22] and timely identification and exploitation of opportunities to resolve an issue which has been identified as the largest single impediment to economic growth in the Region, i.e. the cost of energy.

5.35 With effect from January 2014, the RE/EE Unit was established to provide an integrated approach to and strategic leadership on RE/EE initiatives and to prepare the Bank's Energy Sector Policy and Strategy. CDB expects to receive TA to supplement CDB's capacity in RE/EE, from the Federal Republic of Germany in the form of short-term consultants. While the longer term objective is to transform the energy sector in CDB's BMCs by increasing integration of RE/EE technologies in the energy mix, the Bank will continue to lend for traditional fossil fuel generated energy with special emphasis on EE.

5.36 Negotiations are ongoing with donors for grant resources to support a proposed Sustainable Energy for the Eastern Caribbean (SEEC) Programme. The proposed SEEC programme will combine the requested grant resources with CDB's loan and grant resources thereby making concessional resources available to the public and private sectors for implementation of EE and RE initiatives. The Programme will cover both TA and capital investment in RE/EE for beneficiary BMCs.

5.37 CDB will, in response to requests from clients, and wherever appropriate: (a) assist the expansion of energy supply; (b) promote EE through supply-side and demand-side measures; (c) support clean energy; and (d) facilitate the removal of policy, institutional, regulatory, technological, and legal constraints on promoting efficient energy use.

Enhancing Organisational Efficiency and Effectiveness

5.38 There have been increasing demands from stakeholders for the Bank to improve its efficiency and effectiveness and to be more responsive to the changing needs of its clients. In this context, CDB recognises that achieving the strategic objective of *Enhancing Organisational Efficiency and Effectiveness* requires a continuous review of the way it does business.

[22] CDB will work collaboratively and in partnership with other donors and development institutions which are endowed with the financial and technical resources to lead initiatives in EE and RE. CDB will leverage its in-depth knowledge of the Region and its close relationship with policymakers to catalyse further private and public sector investment in these areas.

5.39 The Bank's internal reform agenda will continue as an important part of the effort to increase development effectiveness through a continuous reassessment and strengthening of policies, strategies, processes and programmes. The agenda is focused on five principal areas:

- enhancing corporate governance and oversight;
- improving policies, strategies and guidelines;
- improving human resource skills, capabilities and processes;
- aligning organisational structure and processes; and
- mainstreaming of MfDR.

5.40 The expected outcomes are enhanced oversight by and effectiveness of the BOD; improved policies, strategies and guidelines; strengthened results-oriented approaches, with improved project results; stronger country focus and client orientation; improved risk mitigation, transparency and accountability; and skilled and engaged human resources. The agenda's implementation will be measured and monitored through appropriate indicators in the revised RMF that will allow for adjustments as made necessary by changes in the operating environment. Pursuit of this agenda will also be supported by the operating principles outlined in the following paragraphs.

Enhanced Operational Selectivity and Focus

5.41 Given its relatively small financial and human resource endowment, CDB has adopted the principles of selectivity and focus in order to safeguard and improve its operational efficiency and development effectiveness. These principles require the Bank to invest its resources cost effectively, and in programmes and projects that are likely to have the most sustainable impacts. The Bank will resist the temptation to become "all things to all people". The Bank's focus will be on priority areas that are consistent with its comparative advantage, financial and human resources capacity, and with measuring, monitoring and reporting on results.

Improved Responsiveness to Clients and Stakeholders

5.42 Clients have called for a more appropriate mix of products and service, expanding support for poverty reduction programming; advocacy for their special development circumstances in international fora; greater support for peer to peer exchanges; training and capacity support for project preparation; appraisal and implementation; intellectual leadership from CDB in researching and developing solutions to BMCs unique development challenges; and support for the provision of timely and accurate economic and social statistics.

5.43 Future demand for development assistance from BMCs will also depend in part on CDB's capacity to respond to these calls. The Bank will expand its poverty focus and develop responsive and innovative strategies for assisting all BMCs to reduce poverty in the communities in which it is prevalent. Hence, its poverty reduction efforts must consider not only poor countries but more specifically, poor communities in all BMCs.

5.44 Measures to provide the relevant training opportunities to support project and programme design and implementation, as well as, to improve technical capacity and capability in BMCs will be implemented in early 2015 with the restart of the redesigned Project Administration Training Unit programme.

5.45 In addition, support for sector studies and research to develop solutions to BMCs' development challenges should be increased. These studies/research are also necessary for building in-house expertise, closing technical capacity deficits in our client countries, and enhancing the Bank's relevance and franchise value.

5.46 In crafting strategies for the social sector, BMC policymakers and CDB rely heavily on the availability of timely, accurate and reliable data. Over the past ten years, substantial financial and TA, including support for CPAs, has been provided to improve BMCs' capacity and capability to collect, analyse and publish both economic and social statistics. Yet weaknesses continue to exist and in many BMCs, the paucity and untimeliness of data make evidenced-based policymaking difficult and challenging. Significant improvements in data quality and availability will require a regional approach to the collection and analysis of statistics, particularly amongst the OECS and the commitment of stakeholders at the highest levels. The Bank, in collaboration with other partners, remain committed to assisting BMCs to develop and implement creative solutions to this issue.

Improved Information Disclosure, Transparency and Accountability

5.47 The Bank has adopted measures to improve transparency and accountability to its shareholders and stakeholders, as a way of building relationships, trust and a shared commitment to enhancing development effectiveness. To improve transparency, the Information Disclosure Policy (IDP), which is based on a presumption in favour of disclosure, commits the Bank to making institutional, financial and project-related information available on its website, unless covered by an exception. The implementation of approved recommendations following a review of the governance and oversight mechanisms of BOD will contribute to strengthening corporate governance and oversight. In this regard, full implementation of the IDP to make more information accessible to the public, and strengthening corporate governance will underpin the Bank's efforts to be more transparent and accountable and ultimately contribute to better development outcomes and effectiveness. These measures will also position the Bank to be in compliance with recent changes in the standards by which international financial institutions are measured by the international credit rating agencies, global funding institutions and financial market institutions.

5.48 CDB's proposed diversification into more private sector lending will increase its exposure to money laundering, financing of terrorism, ethical breaches, and institutional integrity risk arising from prohibited practices like fraud, corruption, collusion, coercion and other corrosive practices (commonly and broadly referred to as "integrity risks"). In the circumstances, CDB is building a comprehensive, integrated and robust strategic integrity framework that will be tailored to its integrity risks exposure, size and resources. The strategic integrity framework will comprise policies and procedures to meet the ideals of CDB's mission and to support this Strategic Plan.

Strengthened Use of Partnerships, Collaboration and Harmonisation

5.49 The task of reducing extreme poverty together with addressing other development challenges can only be achieved through the Bank and all development partners acting collaboratively and in partnerships. This is especially the case for CDB as a small institution with limited financial resources and in-house technical capacity. At the same time, there is an increasing need for financial and TA resources for meeting new development challenges and an expanding client/stakeholder base.

5.50 Consistent with the undertakings of the Paris Declaration, the Accra Agenda for Action and the Busan Partnership for Effective Development, the Bank will strengthen its partnerships with bilaterals (Canadian International Development Agency/DFATD, DfID, GIZ,) and multilaterals (IDB, IMF, WB, EIB, EU, International Finance Corporation); regional institutions (CARICOM, OECS Secretariat, CARDI, UWI, CARTAC etc); the private sector and civil society in order to leverage additional resources, share knowledge and expertise, and develop and implement common approaches to resolving national and regional development problems.

5.51 The role and mandate of the Bank within the Region is expanding dramatically, reflecting the strengthening of the relationship of the existing BMCs with neighboring countries in the Caribbean and the widening of CARICOM. Even with the pending membership of Brazil, it is clear that a widening of the partnership between BMCs and non-BMCs will be essential to the Bank's ability to meet its mandate and serve the peoples of the Caribbean. If current discussions with prospective members lead to a further increase in membership, that role will be even wider, in terms of people, development needs to be addressed, and in language and institutional traditions. New borrowing members also introduce the possibility for dialogue with other donors and for forging new and productive relationships with additional institutions.

Strengthened Value for Money Considerations in Administrative Operations

5.52 Improvements to cost efficiency and effectiveness will enhance the Bank's attractiveness as a development partner. To this end, the use of ICT will be strengthened to further streamline business processes and allow for time and cost savings in conducting the business activities of the Bank. The principle of zero real growth will continue to be applied in the formulation of the administrative budget. Furthermore, the efficiency and adequacy of the budget expense management will be monitored through the metric of administrative expense per million dollars of total disbursements (three-year average). Other indicators will be developed to assist management in monitoring value for money performance in administrative operations.

Enhanced Emphasis on Measuring, Monitoring and Reporting of Results

5.53 The Bank has been promoting the use of management for results approaches to planning and implementation as a way of increasing public service efficiency in BMCs and its own development effectiveness. Implementation of the MfDR action plan will continue during the Plan period. This includes an internal communication and training programme designed to ensure that staff develop and demonstrate strong proficiency in consistently applying MfDR. CDB will undertake further extensive training of staff and BMC officials in the design of results frameworks and in the monitoring of project outputs and outcomes.

5.54 Work on implementing the recommendations of internal results assessments as well as those arising from donor assessments, e.g. DfID's Multilateral Aid Review of CDB's MfDR approach will also be given priority among the corporate governance initiatives.

6. RESOURCING THE STRATEGY

6.01 The challenges facing the Region will require significant amounts of capital investments in combination with appropriate policies and the right mix of human resources to address them. The alignment of human and financial resources with the thrust of the Strategic Plan is essential for the achievement of its objectives. CDB intends to continue its role as a leading mobiliser of development resources into the Region.

Human Resource Requirements

6.02 The implementation of this Strategic Plan creates unique demands on the Bank's human resources, from the perspective of meeting the objectives of the Plan, including timely implementation of the planned level of SDF operations, the introduction of new areas of work, and providing the capability needed to work with an expanded and more diversified membership. In that regard, the Human Resources Division has prepared a SWP integrating workforce supply and demand into the strategic planning process to ensure the Bank has the "five rights" – the right number of people with the right skills, in the right place, at the right level and the right cost.

6.03 The SWP focuses on the size and composition of the Bank's workforce, its deployment across the Bank and the knowledge, skills and competencies necessary to pursue the strategic and business objectives. Specifically, it addresses the following:

- understanding the internal and external environment and how those factors will impact the current and future workforce;
- the makeup of the current workforce and the knowledge, skills and composition (including diversity) that the Bank will require to achieve its intended business goals;
- workforce factors that affect the entire business (e.g., succession planning for retirement, difficult to recruit skills, leadership bench and effective allocation of budget); and
- linking human resources strategies with the business objectives and needs, and putting in place staffing strategies to address them.

6.04 The development of the SWP was based on consultation with managers, segmentation of the workforce based on strategic impact, and assessment of staff on the key technical and behavioural competencies. Overall, critical gaps were identified in the areas of RE/EE, private sector operations and the support for a proposed integrity, ethics, and compliance function. Staff defined a desired culture that is different from the existing, and specific actions have been defined for managing the change process.

Financial Resource Requirements

6.05 The post-crisis fiscal stance of governments to date suggest that although the financial needs are great, limited fiscal capacity will dampen effective demand for higher levels of borrowing for investment by BMCs throughout most of the Plan period. Projections of financial performance are based on the projected levels of OCR and SFR disbursements identified at Table 3 in Section 4 above. The projections are focused on analysing the capacity of the Bank to meet its minimum liquidity, capital and other financial commitments on a timely basis as well as to operate in accordance with the approved financial policies and guidelines. The analysis is also applied to monitoring the trend of estimated administrative expenses in relation to projected disbursements for the Bank as a whole.

Projected Financial Analysis

6.06 The analysis assumes that the operating environment will remain placid for the first half of the Plan period and that the level of disbursement will be in the range from $100mn in 2015 to $135mn in 2019. These lending projections are based on the pool of undisbursed balances as at December 31, 2014; the projected pipeline of projects for 2015 and 2016; and conservative lending projections generated from initiatives for which the Bank has been positioning itself through the mobilisation of concessionary resources and the building of HR capacity in new focus areas. The principal assumptions underlying the projections are presented in Table 4 below.

TABLE 4: ASSUMPTIONS UNDERLYING THE OCR FINANCIAL PROJECTIONS 2015-2019

Item	2015	2016	2017	2018	2019
Approvals ($mn)	190	180	138	152	167
Disbursements ($mn)	100	105	115	120	135
SFR disbursements	40	45	45	50	50
Administrative Expenses – Bank as a Whole ($mn)	30.6	31.4	32.2	32.7	33.3
Allocation of Administrative Expenses to the OCR ($mn)	12.9	13.2	13.6	13.9	13.9
Allocation of Administrative Expenses to the SFR ($mn)	17.7	18.2	18.6	18.8	19.4

6.07 New commitments for 2015 and 2016 are projected to be $150mn and $140mn and disbursements at $100mn and $105mn, respectively. The forecasted annual commitments and disbursements for the period 2017 to 2019 are distilled from the analysis contained in Section 4 of the Paper, and proposed initiatives outlined in the country assistance strategies.

6.08 The projections indicate that the loan portfolio will grow by a moderate 13% over the five year period. This growth will be financed primarily through new cash subscriptions, internally generated resources, and no borrowing will be required to meet contracted commitments or to ensure that liquidity guidelines are adhered to.

6.09 The administrative expense indicator (average administrative expenses per $mn of three-year average disbursements) is projected to decline as a result of higher projected disbursements. However, the projected disbursement ratio performance reflects the need to aggressively pursue all feasible options to improve portfolio growth and to exercise even greater expenditure controls.

6.10 In summary, analysis indicates that:

(a) The Bank will be able to operate within the financial policies and operating guidelines and to meet its capital and liquidity requirements.

(b) Net resource transfer will be modest over the Plan period.

(c) In the event of outturn below the assumed level of disbursements, administrative expenditures will need to be reduced to ensure future creditworthiness while preserving the financial capacity of the Bank to respond to the priority needs of members.

(d) At the assumed level of operations, CDB will not require any market borrowings. However, prolonged absence from the international financial market can cause negative consequences for subsequent international market financing initiatives.

(e) Weaker economic performance by BMCs will increase the need to mobilize additional concessional resources to support proposed priority areas, i.e. RE, EE, Climate Resilience Disaster Risk Management and Environmental Sustainability.

7. RESULTS MONITORING FRAMEWORK

7.01 CDB has since 2011 used a corporate-level RMF for measuring and monitoring progress of key results in its Strategic Plan. This RMF is informed by outputs and outcomes of CDB-financed projects and programmes, information in the Annual Review of the Performance of the Portfolio of Projects under Implementation and in Project Completion Reports, and by data in the Bank's financial and human resource systems. The RMF covers the full range of Bank-assisted activities which are funded both through the OCR and SFR.

7.02 The RMF has been reviewed and updated as part of the process of developing the new Strategic Plan. The revised RMF will track implementation performance of the Strategic Plan at four levels:

(a) **Level 1 - Progress towards Sustainable Development Goals and Regional Development Outcomes:** This first level of the results framework tracks the development progress of the Region through selected Caribbean-specific development goals and outcomes. These are consistent with sustainable development priorities highlighted in the Post - 2015 Development Agenda. Level 1 indicators monitor Regional performance related to reducing poverty and inequality, quality education and equitable lifelong learning and employment opportunities, building competitive economies, and resilience, sustainable energy and adaptation to a changing environment. Performance in relation to these indicators and targets will also inform CDB's future country assistance strategies and programmes.

(b) **Level 2 - CDB Contribution to Sustainable Development Goals, Country and Regional Development Outcomes**: Indicators at this level measure the Bank's contribution to sustainable development goals, country and regional outcomes through outputs delivered in key operational areas identified in the Strategic Plan. These core priority areas include: economic and social infrastructure, agriculture and rural development and resilience, private sector operations and development, education and training, and governance and accountability, with gender equity cutting across the core areas.

(c) **Level 3 - CDB Operational Management (How well is the Bank managing its operations?)** The Bank recognises that it can only increase its contribution to country and regional outcomes and overall development effectiveness by continuing to improve its operational management. CDB's assessment of the operational quality and relevance of its services is measured through four groups of indicators covering operational processes, practices and portfolio performance; resource allocation and utilisation; strategic focus; and disclosure, transparency and risk management. The Bank must also ensure that its cross-cutting themes of gender equity, energy security and RCI are integrated into all of the Bank's operations. These indicators will also monitor and measure the intensity of CDB's focus on the sectors where it has the greatest strength, its efficiency in making resources available to its BMCs and its responsiveness to client needs.

(d) **Level 4 – CDB Organisational Efficiency (How efficient is CDB as an Organisation?)** The indicators at this level will assess the adequacy of CDB's organisational capacity to facilitate the effective management of its operations. The Bank recognises that it can only increase its contribution to country and regional outcomes and overall development effectiveness by operating efficiently. Effective operational management must be supported by organisational efficiency in recruiting and retaining appropriate human resources, provision of adequate administrative budget management and by working to its comparative advantage collaboratively with its development partners.

7.04 The Bank will develop methodological notes for each indicator in the RMF, which will provide information on each indicator’s definition and sources.

CDB's RESULTS FRAMEWORK FOR THE STRATEGIC PLANNING PERIOD 2015-2019

RMF LEVEL 1: PROGRESS TOWARDS SUSTAINABLE DEVELOPMENT GOALS AND REGIONAL DEVELOPMENT OUTCOMES

Grouping/Indicator	BMCs			SDF eligible BMCs		
	Baseline		Target	Baseline		Target
	Year	Value	(2019)	Year	Value	(2019)
INCLUSIVE AND SUSTAINABLE GROWTH AND DEVELOPMENT						
Economic inclusion: Reducing Poverty and Inequality						
1. % of population below the national poverty line [(1).]	2012	44.0	34.0	2012	48.1	38.0
2. % of population below the indigence line	2012	22.0	17.0	2012	23.0	18.0
3. Multidimensional Poverty Index (Headcount (%)) [(2)]	2013	14.9	TBD	2013	18.2	TBD
4. Countries with High Income Equality (no. of countries with Gini coefficient exceeding 0.4)	2012	6	Reduction	2012	4	Reduction
5. GDP per capita growth rate (%)	2013	0.9%	Increase	2013	1.60%	Increase
Provide quality education, training and employment opportunities						
6. Net enrolment ratio in basic education (%):						
(a) Primary						
- Female	2012	91.0	95.0	2012	90.0	95.0
- Male	2012	90.0	95.0	2012	88.0	95.0
(b) Secondary						
- Female	2012	87.0	90.0	2012	84.0	87.0
- Male	2012	83.0	86.0	2012	81.0	84.0
7. Secondary school graduates achieving five CXC General Proficiency or equivalent in National Assessment passes or more, including Mathematics and English (%)						
- Female	2012	34.5	Improvement	2012	28.8	Improvement
- Male	2012	29.6		2012	23.7	
8. Proportion of students starting from Form 1 who reach Form 5 (Survival Rate) - Female	2012	87.4	Increase	2012	86.2	Increase
- Male	2012	81.5		2012	75.2	
9. Students completing at least one Level 1 course in TVET (%) - Female	2012	67.2	Increase	2012	69.6	Increase
- Male	2012	59.6		2012	60.0	
10.Unemployment rate (%) - Female	2012	14.8	Reduction	2012	16.5	Reduction
- Male	2012	9.7		2012	10.1	
Sustaining growth: Building Competitive Economies						
11. Intra-regional trade as a percentage of total regional Trade	2012	13.0	TBD	2012	13.0	TBD
12. Doing Business average rank (out of 189 countries)	2013	99	Improvement	2012	108	Improvement
13.Time required for business start-up (days)	2013	39	Reduction	2012	45	Reduction

Grouping/Indicator	BMCs			SDF eligible BMCs		
	Baseline		Target	Baseline		Target
	Year	Value	(2019)	Year	Value	(2019)
BUILDING RESILIENCE, SECURING SUSTAINABLE ENERGY AND ADAPTING TO A CHANGING ENVIRONMENT						
14.Population with access to an improved water source (%)						
- Urban	2013	96.9	95.0	2013	96.2	95.0
- Rural	2013	90.1	92.5	2013	88.3	92.5
15.Population with access to improved sanitation (%)						
- Urban	2013	86.4	88.0	2013	79.6	82
- Rural	2013	82.4	86.5	2013	76.3	80.5
16.Renewable energy as a % total energy mix produced	2011	8	20	2011	12	20
17. Energy Use per Unit of GDP (Barrels of Oil Equivalent 000s/ $ mn GDP)	2012	1.0	Reduction	2012	1.0	Reduction
18.Reported economic losses resulting from natural disasters and climate variability (% of GDP)	(2011-2013 average)	4.5	Reduction	(2011-2013)	3.6	Reduction
19.Ratio of area protected to maintain biological diversity	2012	4.2	Maintain or increase	2012	5.2	Maintain or increase
20. Proportion of land area covered by forest (%)	2013	49.4	Maintain or increase	2013	56.4	Maintain or increase

Additional note:
TBD To be determined
(1) Includes Haiti. Weighted average of national poverty rates by population.
(2) This indicator describes the proportion of households who are deprived in several areas of economic and social wellbeing. These are education, health and living standards. Currently, the indicator is based on five BMCs: Belize, Guyana, Haiti, Suriname and Trinidad and Tobago - as published in the Human Development Report 2014 (UNDP).

RMF LEVEL 2: HOW CDB CONTRIBUTES TO SUSTAINABLE DEVELOPMENT GOALS, COUNTRY AND REGIONAL DEVELOPMENT OUTCOMES?

Grouping/indicator	Projected 2010-2014	Actual 2010-2013	Projected 2015-2019
Economic and Social Infrastructure Development.			
1.Transport: Primary, secondary and other roads built or upgraded (Km)	245	2,194	250
2.Transport: Beneficiaries of road projects (number)	234,000	536,000	340,000
- of whom female	n.a	141,892	n.s.
3. Sea Defences/ Landslip Protection/ Urban Drainage (Km)	24.6	15.7	9
4. Water: Installed water capacity (cubic metres/day)	n.a	5,251	120,000
- Urban	n.a.	n.a.	n.s
- Rural	n.a.	n.a.	n.s
5. Water: Supply lines installed or upgraded (length of network in Km).	2,397	423.1	150
- Urban	n.s.	185.1	n.s
- Rural	n.s.	238	n.s
6.Water: Households with access to improved sanitation and water supply (number)	25,900	29,428	22,000
- Urban	n.a	14,557	n.s
- Rural	n.a	14,871	n.s
7.Communities: Beneficiaries of community infrastructure construction/enhancement projects [1] (number)	342,000	454,000	108,000
- of whom female beneficiaries	n.a	146,000	n.s
Agriculture and Rural Development			
8.Agriculture- stakeholders trained in improved production technology (number) [2]	3,400	2,000	3,000
- of whom female	n.a.	n.a.	n.s
9.Land improved through irrigation, drainage and/or flood management (hectares)	6,935	5,491	2,500
Education and Training (at all Levels)			
10.Classrooms and educational support facilities built or upgraded according minimum standards (number), of which	700	659	950
(a) ECD	n.a	n.a	n.s
(b) Primary	n.a	n.a	n.s
(c) Secondary and Post-Secondary/ Tertiary	n.a	n.a	n.s
11. Teachers and principals trained/certified. (number)	6,010	5,882	6,100
(a) ECD (total/female)	n.a	n.a	n.s
(b) Primary (total/female)	n.a	n.a	n.s
(c) Secondary and Post-Secondary/Tertiary (total/female)	n.a	n.a	n.s
12.Students benefiting from improved physical classroom conditions or enhanced teacher competence, or access to loan financing (number)	171,000	199,000	180,000
- of whom female	n.a.	n.a.	n.s
Citizen Security			
13. Beneficiaries of community based citizen security interventions (number)	1,000	196	5,000
- of whom female	600	29	n.s

Grouping/indicator	Projected 2010-2014	Actual 2010-2013	Projected 2015-2019
14. Beneficiaries of youth at risk interventions (number)	n.a	n.a	2,400
- of whom female	n.a	n.a	n.s
Environmental sustainability (Climate Change Resilience, Environmental Management and Disaster Risk Management)			
15.Energy: Conventional or renewable power generation capacity installed (MW)	n.a.	n.a	14.0
- of which renewable (MW)	n.a	n.a	8.5
16. Energy efficiency policies or interventions introduced (number)	n.a	n.a	10
17. Energy savings as a result of EE/RE interventions (GWh)	n.a	n.a	20
18.Transmission or distribution lines installed or upgraded (length in Km)	n.a	n.a	130
19.Communities: Communities with improved capacity to address Climate Change and DRM (number)	4	6	20
20. National sector policies or strategies or plans developed or implemented to improve capacity for climate resilience, conservation, rehabilitation or environmental management	24	12	8
Private Sector Operations and Development.			
21.Value of credit made available to the private sector ($mn) (disaggregated by sector)	53	33	30
22.MSME benefiting from credit (number)	325	806	TBD
- of whom female owned	n.a.	n.a.	n.s
23.Beneficiaries of mortgage programmes (number)	200	234	200
- of whom female borrowers	n.a.	116	n.s
24. Beneficiaries of agriculture (rural) enterprise credit programmes (number)	500	445	100
- of whom female beneficiaries	n.a.	75	n.s
25.Beneficiaries of interventions targeted at MSMEs through CTCS and other TA modalities (number)	3,000	3,600	7,000
- of whom female beneficiaries	n.a.	2,125	n.s
Governance and Accountability			
26.Public financial management reforms adopted (number)	n.a	3	6
27.Public financial systems upgraded and public sector investment programmes supported (Budget, Treasury, Accounting, Debt and Revenue)	22	29	TBD
28. Stakeholders trained in results focused Project Cycle Management or Public Policy Analysis and Management (number).	n.a	559	2,000
- of whom female	n.a	289	n.s
29. BMCs supported in multi-dimensional poverty assessments and the updating of key poverty indicators (number)	n.a	n.a	5
30.Business climate and competitiveness enhancement projects implemented (number)	6	3	10
31.BMCs with increased capacity to undertake PPP arrangements (number)	n.a	n.a	12
Regional Integration and Cooperation			
32.Legal, regulatory and policy reforms adopted or interventions implemented to improve regional cooperation and integration (number)	TBD	0	5
33.Intra-regional sea trade from OECS and other disadvantaged countries (Belize and Guyana) of total intra-regional trade	TBD	TBD	TBD

1. Target subject to pipeline change
2. Representative of planned outputs in the pipeline, including an intervention in Haiti.

n.s. Not specified. No target is set, however disaggregated data will be reported during the planning period.
n.a. Not available.
TBD. To be determined.

RMF LEVEL 3: HOW WELL CDB MANAGES ITS OPERATIONS?

Grouping/Indicator	Baseline		Target (2019)
	Year	Value	
Operational Processes and Practices, and Portfolio Performance			
1.Portfolio performance rating for implementation (% rated Excellent to Satisfactory)	2013	98	90
2. Projects completed in the last two years with PCRs (%)	2013	93	95
3.Projects with supervision reports on Project Portfolio Management System	2013	100	100
4.Projects/loans at risk (% of Portfolio)	2013	14	10
5.Average time taken from appraisal mission to approval (months)	2013	3.2	3
6.Average time from approval to first disbursement (months)	2013	9.1	6
7. Projects under implementation with extensions (revised final disbursement date) (%)	2013	61	45
8. Average length of project extension (months)	2013	38	18
Resource Allocation and Utilisation			
9. Concessional resources allocated according to performance-based allocation system (%)	2013	58	60
10. Disbursement ratio	2010-2012	19	18
11. Disbursement (Efficiency) Rate	2010-2012	72	80
Strategic Focus			
12. Financing directed to less developed BMCs (three year average) (%)	2010-2013	57	≥51
13.Approved country strategies in use with results frameworks (Number)	2013	15	19
14. Approved loans or projects with a gender-specific or gender mainstreamed rating (%)	2013	20	40
15. Disbursements supporting (%):			
(a) Private Sector Development	2013	6	10-14
(b) Environment, Renewable Energy/EE and Climate Change	2014	TBD	8-12
(c) Regional Cooperation and Integration	2013	1.2	2-4
16. Technical Assistance projects in support of Regional Cooperation and Integration (% of all TAs)	2013	TBD	TBD
Disclosure, Transparency and Risk Management			
17. Evaluation reports and reviews uploaded on the website (number.)	2011-2014	17	50
18. CDB's external credit risk rating	2014	AA	Minimum of Stable
19. Operational risk losses for any given event or combination of events ($US mn)	2014	TBD	≤$US1mn

RMF LEVEL 4: HOW EFFICIENT IS CDB AS AN ORGANIZATION?

Grouping/Indicator	Baseline		Target (2019)
	Year	Value	
Capacity Utilisation			
1.Budgeted Professional Staff in Operations Departments (%)	2013	44	51 - 56
2.Ratio of professional staff to support staff	2013	1.26:1	1.72:1
3.Vacancy rate at management and professional levels (%)	2013	25	5
4. Staff in management positions who are women (%)	2013	53	45-55
Use of Administrative Budget Resources			
5.Administration expenses per US$1mn of project disbursements (three-year average) $000s	2013	169	Reduction
Alignment and Partnerships			
6.Interventions using common arrangements or procedures (%)	2013	59	65
7.Capacity development support provided through coordinated programmes (%)	TBD	TBD	TBD
8.Country Strategy Papers, other development partner missions and project financing conducted jointly with at least one other development partner (% annually)	2013	100	100

APPENDIX 1

FROM VISION TO ACTION — PRIORITY TRANSFORMATIONS FOR A POST - 2015 AGENDA

FIVE TRANSFORMATIVE SHIFTS

The Panel views five big, transformative shifts as the priorities for a forward-looking, compelling and integrated sustainable development agenda based on the Rio principles. The first four shifts are where the focus for action is mostly at the country level, while the fifth transformative shift, forging a new global partnership, is an overarching change in international cooperation that provides the policy space for domestic transformations.

We believe there is a need for a paradigm shift, a profound structural transformation that will overcome the obstacles to sustained prosperity. The transformations described below apply to all countries. They are universally relevant and actionable. The details may vary, and responsibilities and accountabilities will inevitably differ, in line with the circumstances and capabilities of each country. We recognise that there are enormous differences among countries in resources and capabilities, differences rooted in long-ago history and often beyond their individual control. But every country has something to contribute. Countries are not being told what to do: each country is being asked what it wants to do, on a voluntary basis, both at home and to help others in meeting jointly identified challenges.

1. Leave No One Behind

The next development agenda must ensure that in the future neither income nor gender, nor will ethnicity, nor disability, nor geography, determine whether people live or die, whether a mother can give birth safely, or whether her child has a fair chance in life. We must keep faith with the promise of the MDGs and now finish the job. The MDGs aspired to halve poverty. After 2015, we should aspire to put an end to hunger and extreme poverty as well as addressing poverty in all its other forms. This is a major new commitment to everyone on the planet who feels marginalised or excluded, and to the neediest and most vulnerable people, to make sure their concerns are addressed and that they can enjoy their human rights.

The new agenda must tackle the causes of poverty, exclusion and inequality. It must connect people in rural and urban areas to the modern economy through quality infrastructure – electricity, irrigation, roads, ports, and telecommunications. It must provide quality health care and education for all. It must establish and enforce clear rules, without discrimination, so that women can inherit and own property and run a business, communities can control local environmental resources, and farmers and urban slum-dwellers have secure property rights. It must give people the assurance of personal safety. It must make it easy for them to follow their dreams and start a business. It must give them a say in what their government does for them, and how it spends their tax money. It must end discrimination and promote equality between men and women, girls and boys. These are issues of basic social justice. Many people living in poverty have not had a fair chance in life because they are victims of illness or poor healthcare, unemployment, a natural disaster, climate change, local conflict, instability, poor local leadership, or low-quality education – or have been given no schooling at all. Others face discrimination.

Remedying these fundamental inequalities and injustices is a matter of respect for people's universal human rights. A focus on the poorest and most marginalised, a disproportionate number of whom are women, follows directly from the principles agreed to in the Millennium Declaration and at Rio. These principles should remain the foundation of the post-2015 agenda.

To be sure that our actions are helping not just the largest number of people, but the neediest and most vulnerable, we will need new ways of measuring success. Strategies and plans will have to be developed to reach those not adequately covered by existing programmes. The cost of delivering services in remote areas may be only 15 to 20 percent higher than average, to judge by practical experience in many countries. This seems reasonable and affordable, given higher tax revenues expected in most countries, and sustained aid to the lowest income countries. Above all, it is the right thing to do.

2. Put Sustainable Development at the Core

For twenty years, the international community has aspired to integrate the social, economic, and environmental dimensions of sustainability, but no country has yet achieved patterns of consumption and production that could sustain global prosperity in the coming decades. A new agenda will need to set out the core elements of sustainable lifestyles that can work for all. The Panel is convinced that national and local governments, businesses and individuals must transform the way they generate and consume energy, travel and transport goods, use water and grow food.

Especially in developed countries, incentives and new mind-sets can spark massive investment in moving towards a green economy in the context of sustainable development and poverty eradication, while promoting more sustainable and more efficient consumption and production. Developing countries, when they get access to new technologies, can leapfrog straight to new, more sustainable and more efficient consumption and production. Both approaches are simply smart public policy. It is sometimes argued that global limits on carbon emissions will force developing countries to sacrifice growth to accommodate the lifestyles of the rich, or that developed countries will have to stop growing so that developing countries can develop – substituting one source of pollution for another. We do not believe that such trade-offs are necessary. Mankind's capacity for innovation, and the many alternatives that already exist, mean that sustainable development can, and must, allow people in all countries to achieve their aspirations. At least one-third of the activities needed to lower global carbon emissions to reasonable levels, such as switching to LED lighting to conserve electricity, more than pay for themselves under current market conditions. Consumers will pay more up front if they can see future savings clearly and if the right incentives are in place to make the switch. Examples abound of smart, feasible, cost-effective, green economy policies: improved vehicle aerodynamics, constructing buildings for energy efficiency, recycling waste, generating electricity from landfill gas—and new technologies are constantly coming on-stream. But concerted efforts are needed to develop and adopt them.

There are other ways to reduce carbon emissions at very little cost; for example, restoring soil, managing grasslands and forests in a sustainable way. Healthcare costs can fall significantly with a switch to clean transport or power generation, helping offset the costs. But incentives – taxes, subsidies and regulations – must be in place to encourage this – incentives that are largely not in place now. With the right incentives, and some certainty about the rules, many of the world's largest companies are prepared to commit themselves to moving to sustainable modes of production on a large scale.

In developing countries too, the benefits of investing in sustainable development are high, especially if they get access to new technologies. Small investments to allow cross-border trading in electricity could save sub-Saharan Africa $2.7 bn every year, by substituting hydro for thermal power plants. Sustainable production is far cheaper than "Grow now, clean later." Already, some industries have developed global standards to guide foreign investment in sustainable development. Examples can be found in mining, palm oil, forestry, agricultural land purchases, and banking. Certification and compliance programmes put all companies on the same footing. As more industries develop sustainability certification, it will be easier for civil society and shareholders to become watchdogs, holding firms accountable for adhering to industry standards and worker safety issues, and being ready to disinvest if they do not. Today, however, only 25% of large companies report to shareholders on sustainability practices; by 2030, this should be common place.

3. Transform Economies for Jobs and Inclusive Growth

The Panel calls for a quantum leap forward in economic opportunities and a profound economic transformation to end extreme poverty and improve livelihoods. There must be a commitment to rapid, equitable growth – not growth at any cost or just short-term spurts in growth, but sustained, long-term, inclusive growth that can overcome the challenges of unemployment (especially youth unemployment), resource scarcity and – perhaps the biggest challenge of all – adaptation to climate change. This kind of inclusive growth has to be supported by a global economy that ensures financial stability, promotes stable, long-term private financial investment, and encourages open, fair and development-friendly trade. The first priority must be to create opportunities for good and decent jobs and secure livelihoods, so as to make growth inclusive and ensure that it reduces poverty and inequality. When people escape from poverty, it is most often by joining the middle class, but to do so they will need the education, training and skills to be successful in the job market and respond to demands by business for more workers. Billions more people could become middle-class by 2030, most of them in cities, and this would strengthen economic growth the world over. Better government policies, fair and accountable public institutions, and inclusive and sustainable business practices will support this and are essential parts of a post-2015 agenda.

A second priority is to constantly strive to add value and raise productivity, so that growth begets more growth. Some fundamentals will accelerate growth everywhere – infrastructure and other investments, skills development, supportive policies towards micro, small and medium-sized enterprises, and the capacity to innovate and absorb new technologies, and produce higher quality and a greater range of products. In some countries, this can be achieved through industrialisation, in others through expanding a modern service sector or intensifying agriculture. Some specialise, others diversify. There is no single recipe. But it is clear that some growth patterns – essentially those that are supported by open and fair trade, globally and regionally– offer more opportunities than others for future growth.

Third, countries must put in place a stable environment that enables business to flourish. Business wants, above all, a level playing field and to be connected to major markets. For small firms, this often means finding the right business linkages, through supply chains or cooperatives, for example. Business also wants a simple regulatory framework which makes it easy to start, operate and close a business. Small and medium firms, that employ the most people, are especially hamstrung at present by unnecessarily complicated regulations that can also breed corruption. This is not a call for total deregulation: social and environmental standards are of great importance. But it is a call for regulation to be smart, stable and implemented in a transparent way. Of course, businesses themselves also have a role to play: adopting good practices and paying fair taxes in the countries where they operate, and being transparent about the financial, social and environmental impact of their activities.

Fourth, in order to bring new prosperity and new opportunities, growth will also need to usher in new ways to support sustainable consumption and production, and enable sustainable development. Governments should develop and implement detailed approaches to encourage sustainable activities and properly cost environmentally and socially hazardous behaviour. Business should indicate how it can invest to reduce environmental stresses and improve working conditions for employees.

4. Build Peace and Effective, Open and Accountable Public Institutions

Freedom from conflict and violence is the most fundamental human entitlement, and the essential foundation for building peaceful and prosperous societies. At the same time, people the world over want their governments to be transparent, accountable and responsive to their needs. Personal security, access to justice, freedom from discrimination and persecution, and a voice in the decisions that affect their lives are development outcomes as well as enablers. So we are calling for a fundamental shift—to recognise peace and good governance as core elements of well-being, not an optional extra. Capable and responsive states need to build effective and accountable public institutions that support the rule of law, freedom of speech and the media, open political choice, and access to justice. We need a transparency revolution so citizens can see exactly where their taxes, aid and revenues from extractive industries are spent. We need governments that tackle the causes of poverty, empower people, are transparent, and permit scrutiny of their affairs. Transparency and accountability are also powerful tools for preventing the theft and waste of scarce natural resources.

Without sound institutions, there can be no chance of sustainable development. The Panel believes that creating them is a central part of the transformation needed to eradicate poverty irreversibly and enable countries across the world, especially those prone to or emerging from conflict, to develop sustainably – and that therefore institutions must be addressed in the new development agenda. Societies organise their dialogues through institutions. In order to play a substantive role, citizens need a legal environment which enables them to form and join CSOs, to protest and express opinions peacefully, and which protects their right to due process.

Internationally, too, institutions are important channels of dialogue and cooperation. Working together, in and through domestic and international institutions, governments could bring about a swift reduction in corruption, money laundering, tax evasion and aggressive avoidance, hidden ownership of assets, and the illicit trade in drugs and arms. They must commit themselves to doing so.

5. Forge a new Global Partnership

A fifth, but perhaps most important, transformative shift for the post-2015 agenda is to bring a new sense of global partnership into national and international politics. This must provide a fresh vision and framework, based on our common humanity and the principles established at Rio. Included among those principles: universality, equity, sustainability, solidarity, human rights, the right to development and responsibilities shared in accordance with capabilities. The partnership should capture, and will depend on, a spirit of mutual respect and mutual benefit. One simple idea lies behind the principle of global partnership. People and countries understand that their fates are linked together. What happens in one part of the world can affect us all. Some issues can only be tackled by acting together. Countries have resources, expertise or technology that, if shared, can result in mutual benefit. Working together is not just a moral obligation to help those less fortunate but is an investment in the long-term prosperity of all.

A renewed global partnership will require a new spirit from national leaders, but also – no less important – it will require many others to adopt new mind-sets and change their behaviour. These changes will not happen overnight. But we must move beyond business-as-usual – and we must start today. The new global partnership should encourage everyone to alter their worldview, profoundly and dramatically. It should lead all countries to move willingly towards merging the environmental and development agendas, and tackling poverty's symptoms and causes in a unified and universal way. What are the components of a new global partnership?

It starts with a shared, common vision, one that allows different solutions for different contexts but is uniformly ambitious. From vision comes a plan for action, at the level of the individual country and of smaller regions, cities or localities. Each needs to contribute and cooperate to secure a better future.

A new global partnership should engage national governments of all countries, local authorities, international organisations, businesses, civil society, foundations and other philanthropists, and people – all sitting at the table to go beyond aid to discuss a truly international framework of policies to achieve sustainable development. It should move beyond the MDGs' orientation of state-to-state partnerships between high-income and low-income governments to be inclusive of more players. A new global partnership should have new ways of working – a clear process through which to measure progress towards goals and targets and to hold people accountable for meeting their commitments. The United Nations can take the lead on monitoring at the global level, drawing on information from national and local governments, as well as from regional dialogues. Partnerships in each thematic area, at global, national and local levels, can assign responsibilities and accountabilities for putting policies and programmes in place.

APPENDIX 2

BMCs SUMMARY OF ECONOMIC INDICATORS 2013

	Popl'n (000)	Nominal GDP (USD Bn)	Per capita GDP (USD)	Credit Rating and (Outlook)	Unempl. (%)	Gross Public debt/GDP (%)	Import cover (months)
Anguilla	0	0.3	17,307	Not rated	n/a	21.2	
Antigua and Barbuda	88	1.2	13,401	Not rated	n/a	97.8	
Commonwealth of the Bahamas	347	8.2	23,417	BBB (Negative)	14.3	61.8	3.6
Barbados	274	4.5	16,307	BB- (Negative)	13.2	108.8	3.2
Belize	349	1.5	4,386	B- (Stable)	16.3	75.0	
British Virgin Islands	0						
Cayman Islands	57	3.0	54,338	Aa3 (Stable)	6.3	21.0	n/a
Commonwealth of Dominica	71	0.5	7,022	Not rated	n/a	72.3	
Grenada	109	0.9	8,133	SD	n/a	105.4	
Guyana	756	2.7	3,596	Not rated	11.0	65.0	3.2
Haiti	10,320	8.5	1,710	Not rated		17.48	
Jamaica	2,751	15.3	5,526	B- (Stable)	15.1	146.2	3.4
Montserrat	0	0.1	12,825	BBB-	n/a	4.3	
St. Kitts and Nevis	58	0.7	12,869	Not rated	n/a	144.9	
St. Lucia	169	1.3	7,509	Not rated	n/a	78.7	
St. Vincent & the Grenadines	110	0.7	6,537	B2	n/a	68.3	
Suriname	541	5.1	9,339	BB- (Stable)	9.5	25.8	3.6
Turks and Caicos Islands	0			BBB+	n/a		
Trinidad and Tobago	1,328	23.8	17,935	A (Stable)	3.7	46.6	12.0

Sources: CDB estimates; International Monetary Fund Statistics.

APPENDIX 3

CARIBBEAN COUNTRIES POVERTY INDICATORS – 1996-2012

Country	Year	(a) % Poor Population	(b) % Indigent Population	(c) % Vulnerable Population	(d) Population Size[1]	(e) Proportion of Region's Population	(f) Weighted % Poor by proportion of population	(g) Weighted % Indigent	(h) Population Poor	(i) Population Indigent	(j) Population Vulnerable
Anguilla	2009	5.8	0.0	17.7	14,000	0.001	0.00	0.00	812	0	2,478
Antigua and Barbuda	2006	18.0	3.7	10.0	83,916	0.005	0.09	0.02	15,105	3,105	8,392
Bahamas, The	2001	9.3	na	na	301,606	0.018	0.17	na	28,049	na	n/a
Barbados	2009	19.3	9.1	10.40	272,750	0.016	0.32	0.15	52,641	24,820	28,366
Belize	2009	41.3	15.8	13.8	333,200	0.020	0.83	0.32	137,612	52,646	45,982
BVI	2002	22.0	0.5	na	23,000	0.001	0.03	0.00	5,060	115	n/a
Cayman Islands	2008	1.9	0.0	3.7	52,295	0.003	0.01	0.00	994	0	1,935
Dominica	2009	28.8	3.1	11.5	67,922	0.004	0.12	0.01	19,562	2,106	7,811
Grenada	2008	37.7	2.4	14.6	130,722	0.008	0.30	0.02	49,282	3,137	19,085
Guyana	2006	36.1	18.6	na	760,689	0.046	1.65	0.85	274,609	141,488	n/a
Haiti	2012	58.6	24.7	na	10,173,775	0.613	35.92	15.14	5,961,832	2,512,922	n/a
Jamaica	2009	16.5	na	na	2,695,600	0.162	2.68	na	444,774	na	n/a
Montserrat	2009	36.0	3.0	20.0	4,900	0.000	0.01	0.00	1,764	147	980
St. Kitts and Nevis	2009	21.8	1.0	13.8	51,752	0.003	0.07	0.00	11,282	518	7,142
St. Lucia	2005	29.0	1.6	16.2	164,791	0.010	0.29	0.02	47,789	2,637	26,696
St. Vincent	2009	30.2	2.9	18.2	109,269	0.007	0.20	0.02	32,999	3,169	19,887
Trinidad and Tobago	2007	17.0	na	na	1,325,700	0.080	1.36	na	225,369	na	n/a
Turks and Caicos Isl.	2012	21.6	0.0	11.40	31,500	0.002	0.04	0.00	6,804	0	3,591
Total		450.9	86.4	161.3	**16,597,387**		44.08	16.55	7,316,338	2,746,809	172,344
Mean		**25.1**	**5.8**	**13.4**					**44.08**	**22.38**	**13.1**

[1] World Bank population estimates for the year in which the CPA was conducted.

Columns (a), (b) and (c) present the simple arithmetic average of the different poverty measures.

Columns (h), (i) and (j) present the weighted average of the different poverty measures, according to population.

APPENDIX 4

MATRIX OF DEVELOPMENT PARTNERS OPERATING IN THE REGION BY SECTOR/THEMES

Sectors	AfD (France)	CARICOM and Agencies[23]	CARTAC	China Dev. Bank	CIF	DFATD	DFID	EIB	EU	FAO	GIZ	IDB	IFAD	OECS	UN Agencies		WB
Transport and Comm.	X					X	X	X									
Water and Sanitation	X					X	X	X									
Agriculture and Rural Dev.				X		X	X	X		X			X				
Climate Resilience		X				X	X	X			X						
Energy Efficiency and Ren. Energy		X				X	X	X			X				X		
Disaster Risk Management		X				X	X	X									X
Education and Training		X				X	X					X		X			X
Private Sector Development		X				X	X										
Capacity Development		X	X			X	X								X		
Macro/Fiscal/Debt Mgt.		X	X			X	X					X					
Trade		X				X	X		X		X						
Social Protection						X	X								X		
Statistics		X													X		X

[23] The CARICOM agencies and associate institutions with which CDB collaborates includes: CARDI, CCCCC, CDERA, CARICAD, CROSQ, Caribbean Export, CXC, UWI.