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CARIBBEAN DEVELOPMENT BANK

ANNUAL REPORT **2013**

VOLUME ONE

ABOUT CDB ANNUAL REPORT 2013

This year, our 2013 annual report focuses on the work the Bank has done building resilience for sustainable growth. We believe that it is only by creating a resilient region, through the strengthening of our Caribbean economies, people and systems; while at the same time building the Bank's resilience through the strengthening of our internal processes and operations, can we have sustainable growth.

The AR 2013 is presented in two volumes. Volume I includes a review of our economic environment, our project interventions, internal operations and appendices. Volume II includes a discussion of our finances, financial statements and our approach to risk management. Both volumes can be accessed via our website at www.caribank.org.

ABOUT THE COVER

The cover of this year's annual report reflects the people whose lives we have impacted; the many people from across our Caribbean region that we have worked with, through and for - to rebuild a resilient region for sustainable growth.

NOTE: $ USED THROUGHOUT REFERS TO US DOLLARS, UNLESS OTHERWISE INDICATED.

THE CARIBBEAN DEVELOPMENT BANK (CDB) is a regional financial institution established by anAgreement signed in Kingston, Jamaica, in 1969. It has a membership of 27 countries consisting of 19 regional borrowing members, 3 regional non-borrowing members and 5 non-regional non-borrowing members. Its founders included 16 English-speaking Caribbean countries as regional borrowing members, and Canada and the United Kingdom as non-regional non-borrowing members. The Bank was established for the purpose of contributing to the harmonious economic growth and development of the member countries in the Caribbean, having special and urgent regard to the needs of the Less Developed Countries (LDCs) of the Region. Of its 19 Borrowing Member Countries (BMCs), 13 are designated LDCs: Anguilla, Antigua and Barbuda, Belize, British Virgin Islands, Cayman Islands, Dominica, Grenada, Haiti, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Turks and Caicos Islands. The Bahamas, Barbados, Jamaica, Guyana and Trinidad and Tobago are designated as More Developed Countries. The Bank has two non-English-speaking borrowing members, Haiti and Suriname, which joined in September 2013. Colombia, Mexico and Venezuela are the regional non-borrowing members. Canada, the People's Republic of China, Germany, Italy, and the United Kingdom are non-regional, non-borrowing members.

MISSION STATEMENT

CDB intends to be the leading catalyst for development resources in the Region, working in an efficient, responsive and collaborative manner with our Borrowing Member Countries and other development partners, towards the systematic reduction of poverty in their countries through sustainable development.

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Wildey, St. Michael
Barbados, West Indies

May 28, 2014

Dr. the Honourable Ashni Singh
Chairman
Board of Governors
Caribbean Development Bank

Dear Chairman:

I enclose the Annual Report of the Caribbean Development Bank for the year ended December 31, 2013, which the Board of Directors, acting pursuant to Paragraph 2 of Article 38 of the Agreement establishing the Bank and in accordance with Section 18 of the By-Laws of the Bank, has requested me to submit to the Board of Governors.

Yours sincerely,
Wm. Warren Smith, Ph.D.
President

PRESIDENT'S REVIEW **2013**

THE REGION ENDED 2013 ON A MORE SOLID ECONOMIC FOOTING THAN IT HAD DONE SINCE THE START OF THE 2007/2008 RECESSION; AND MANY OF THE BORROWING MEMBER COUNTRIES (BMCs) RECORDED INCREASES, ALBEIT MODEST, IN ECONOMIC ACTIVITY, FOR THE SECOND CONSECUTIVE YEAR. AT THE REGIONAL LEVEL, GROWTH AND SUSTAINABILITY WERE RECURRING THEMES IN DISCUSSIONS ABOUT PERFORMANCE.

In CDB, we welcomed the bold initiatives by several countries to tackle chronic macro-economic imbalances. Their efforts have begun to pay dividends, with significant improvements in fiscal and debt sustainability. Other key indicators also began to point in the right direction.

A major challenge facing all BMCs is the need to strike a delicate balance between accelerating growth, sustaining fiscal consolidation, and containing the debt burden. Policy-makers must be relentless in their commitment to fiscal and debt management while creating conditions to lift private sector confidence and stimulate investor interest. An optimal adjustment strategy ought to include mechanisms to protect vulnerable groups and provide a roadmap for their economic and social empowerment.

At the same time, the end-of-year trough system and torrential rainfall which caused loss of life and significant damage to property in Dominica, St. Lucia and St. Vincent and the Grenadines, were painful reminders of this region's extreme vulnerability to natural hazard events.

For its part, the Bank has been seeking to channel its assistance into areas that facilitate an effective response to such challenges, and accord with the development priorities of BMCs. The strong recovery in total approvals and total disbursements in 2013 is reflective of our continuing effort to support poverty reduction through broad-based economic growth and inclusive social development. Commitments will finance projects that strengthen and modernise economic infrastructure, promote human resource development, support agriculture and rural development, and improve the protection and sustainable management of natural resources.

We also maintained our poverty focus through new initiatives like the Community Disaster Risk Reduction Trust Fund (CDRRF) which will make grants to support community-based disaster risk reduction and climate change adaptation demonstration projects.

The CDRRF will complement other community-oriented initiatives, like the Basic Needs Trust Fund (BNTF). BNTF 7, launched during the year, is expected to lead to improved access to quality education, water and sanitation, transportation services and human resource development services in low-income, vulnerable communities in beneficiary countries. Using funding set aside in the Special Development Fund for this purpose, we have also begun to provide for 'youth at risk' in our project design.

Given the expected increase in intensity and frequency of natural hazard events, our region must remain vigilant in its efforts to build resilience to natural hazards. The Bank has accorded high priority to environmental sustainability and disaster risk management and to mobilising resources to assist with promoting climate change mitigation and adaptation in the BMCs. Through our Immediate Response Loan and its Rehabilitation and Reconstruction Loan facilities, we were able to respond very quickly to the countries affected by the December 2013 trough system.

I must make special mention of the recent creation of a Renewable Energy/Energy Efficiency Unit in CDB. The increased focus on energy is part of the broader initiative to improve the protection and sustainable management of the region's natural resources. In this regard, Germany has become a key strategic partner; and we expect to conclude an agreement with the Government of Germany shortly, to provide technical support in this area.

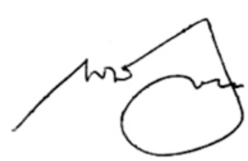
Internally, we have been paying close attention to strengthening our development effectiveness through reforms that improve the transparency, accountability and efficiency of Bank operations. A far-reaching change was the implementation of a comprehensive enterprise-wide risk framework in 2013. Although still in its early stages, our reform efforts have already begun to pay off as evidenced by the removal of the "negative outlook" on CDB's credit rating by Moody's Investors Service.

The 2013 Annual Report chronicles all of the major developments that affected Bank operations and the performance of each of its BMCs during the year. It provides a detailed description of major new projects and programmes by CDB to broaden the poverty impact of its interventions and to build the BMCs' resilience to external shocks. It identifies critical internal reforms and highlights key achievements by the Bank. Finally, the Report speaks to the renewal that is underway and the critical requirements for sustaining these improvements across the region.

We have commenced the process for preparing a new strategic plan for 2014-2019. We anticipate that the resources needed to effect the desired transformation will far exceed CDB's capacity. I anticipate that capitalising on existing relationships and forging new partnerships will be a core element of the new strategy. Close collaboration with our development partners has enabled the Bank to better leverage its available resources to support the region's development agenda.

In closing, I want to thank our Governors and our Board of Directors for their counsel and guidance throughout this journey.

I also want to acknowledge the tremendous support of the Bank's management team and staff. With their unwavering commitment to the development mandate and steadfastness in their support for the Bank's goals and objectives, we can continue to fulfil the Bank's mandate by delivering the highest possible service to all BMCs.



Wm. Warren Smith, Ph.D.
President

New Member, New Outlook, New Funds

USD23.5mn

We launched a USD23.5mn Community Disaster Risk Reduction Trust Fund (CDRRF), with contributions by Canada's Department of Foreign Affairs, Trade and Development and the United Kingdom's Department for International Development.

UNFCCC

We gained accreditation by the United Nations Framework Convention on Climate Change (UNFCCC).

Enterprise Framework

We strengthened the Bank's risk capacity through the implementation of an enterprise framework, resulting in the integrated management of risks and capital, governance, operations, monitoring and reporting.

BNTF 7 USD52mn

We launched the seventh cycle of the Basic Needs Trust Fund (BNTF 7) in Belize, Montserrat, Guyana, Jamaica, St Lucia, St. Vincent and the Grenadines, Dominica and the Turks and Caicos Islands. Funding for BNTF 7, estimated at just under USD52mn, included USD6mn in counterpart funding.

USD300mn

We were successful in removing the "negative outlook" on our credit rating by Moody's Investors Service. The revision in Moody's credit assessment took into account significant improvements and ongoing initiatives by the Bank to strengthen its risk management and financial planning capacity, as well as its success in raising USD300mn on the capital market as part of its proactive asset-liability management strategy.

USD17mn EU Agreement

We signed a Contribution Agreement with the EU for approximately USD17mn to implement components of the African Caribbean Pacific (ACP)-EU Natural Disaster Risk Management Programme in CARIFORUM member countries. The programme will involve improvements in national and regional resilience through strengthened early warning systems, national risk profiling (USD4mn) as well as community-based disaster risk reduction (USD1.6mn through CDRRF). In addition, the resources will make key sectors (water and transportation) more resilient to natural hazards and better prepared for climate change and climate variability (USD6.5mn).

CDB *focus*

Welcome Suriname

We welcomed Suriname as the 27th member and the 19th BMC on September 17, 2013. This marks an important milestone in Suriname's integration into the CARICOM Region.

IDB Global Loan USD20mn

We signed a loan agreement with the Inter-American Development Bank (IDB) for a Global Loan (USD20mn) to assist with the financing of public sector projects and programmes in CDB and International Development Association-eligible member countries of the Organisation of Eastern Caribbean States (Dominica, Grenada, St. Lucia and St. Vincent and the Grenadines).

SDF 8 USD348mn

We received a commitment from our Contributors on SDF 8 which will provide resources for an eighth SDF cycle. A programme level of USD348mn was approved for SDF 8 covering the period 2013 to 2016. This comprised USD212.7mn in new contributions, USD100mn from internally generated funds and a structural gap of USD17.3mn which is expected to be filled by new and additional contributions. The programme will include USD208mn in loans to eligible countries, USD30mn for rehabilitation and reconstruction lending, USD100mn in grant set asides and USD10mn for loans to Suriname, the Bank's newest member.

EUR6.95mn

We signed two agreements totalling USD9mn (EUR6.95mn) for CDB to manage the implementation of the European Union (EU)-funded Economic Partnership Agreement (EPA) and the Caribbean Community (CARICOM) Single Market and Economy (CSME) Standby facilities aimed at encouraging beneficiary countries to take advantage of the EPA and CSME, respectively, and to improve their competitiveness.

Part One

OUR CARIBBEAN ECONOMIES AND GLOBAL CONTEXT

SETTING THE STAGE FOR RESILIENCE AND SUSTAINED GROWTH

Debt sustainability, poverty reduction and increased prosperity require sustained growth. CDB is focused on setting the stage for sustained growth and resilience in its BMCs by ***improving competitiveness, strengthening regional integration, climate proofing economic infrastructure and increasing national savings***. Medium-term policy imperatives center around generating sustained growth which requires a number of factors to occur. Improving the competitiveness of BMC's includes diversification to reduce export concentration, the creation of competitive advantages in non-tourism areas, improving business facilitation, investing in infrastructure, including transportation and logistics, to reduce business costs and for greater integration into global supply chains, and upgrading telecommunications infrastructure for greater economic efficiency. Sustained growth will also be achieved by strengthening regional integration to benefit from scale economies and to foster regional approaches to energy; climate proofing to reduce production and productivity losses that result from damage to infrastructure caused by weather events and climate change; and increasing national savings to reduce vulnerability to sudden stops in capital flows that attend global cyclical troughs and other global economic shocks. With the exception of Antigua and Barbuda, Haiti, St. Kitts and Nevis and Trinidad and Tobago, at national savings among CDB's BMCs, 15% of GDP over the last decade, is half the average rate in emerging and developing economies. Low savings usually translates into national liability accumulation, low reserve levels and dependence on foreign capital inflows to sustain aggregate demand generally, and investment specifically. Sudden stops in capital flows, such as that precipitated by the recent global crisis, curtails growth by reducing investment, and/or forcing an adjustment in aggregate demand in response to reserve depletion.

INTERNATIONAL CONTEXT

Global growth remained relatively robust and inflation low in 2013, while international financial markets rallied, driving a recovery in foreign direct investment (FDI). World output grew by 3% in 2013, marginally below the 3.1% expansion recorded in 2012. Growth continued to be driven by emerging and developing economies, as advanced economies decelerated slightly during the year. Notably, growth in the United States (US) slowed from 2.8% in 2012 to 1.9%, reflecting the temporary government shutdown and issues relating to the raising of the debt ceiling in the latter part of the year. Euro Zone economies remained in recession for the second consecutive year (-0.7% in 2012 and -0.4% in 2013) . However, there were signs that domestic demand was on the rise in advanced economies and economic activity was sufficiently buoyant to support a reduction in unemployment rates – the US and UK in particular saw rates go down to levels not seen since late 2008. Inflationary pressures also remained contained globally, as average oil and non-fuel commodity prices were 0.9 and 1.5% lower, respectively, than in 2012. Monetary policy in advanced economies therefore remained largely accommodative, although the US Federal Reserve, while keeping its policy rate low, initiated the so-called "tapering" of its open market operations toward the end of the year. Reflecting the general buoyancy of economic activity, as well as a pick-up in financial markets, global FDI flows having fallen in 2012, are estimated to have increased by 11% in 2013, according to the United Nations Conference on Trade and Development (UNCTAD) (See Figure 1).

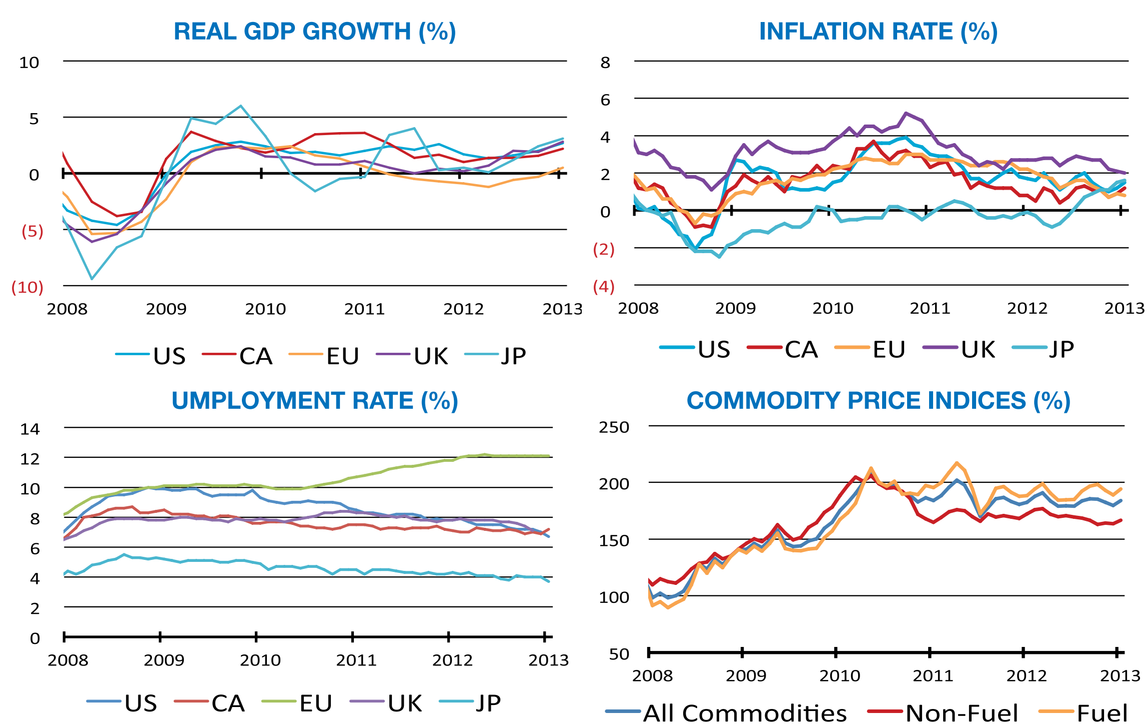
REGIONAL ECONOMIC DEVELOPMENTS

OUTPUT, EMPLOYMENT AND PRICES

International economic developments were reflected in regional sectoral outturns; Preliminary estimates indicate that the region grew by an average of 1.5% in 2013, up slightly from a revised figure of 1.2% for 2012. Higher incomes and employment in advanced economies and renewed flows of foreign direct investment (FDI) contributed to solid growth in construction activity and continued recovery in tourism in most of CDB's Borrowing Member Countries (BMCs). At the same time, lower

FIGURE 1
KEY GLOBAL MACROECONOMIC INDICATORS

Source: Bloomberg L.P.



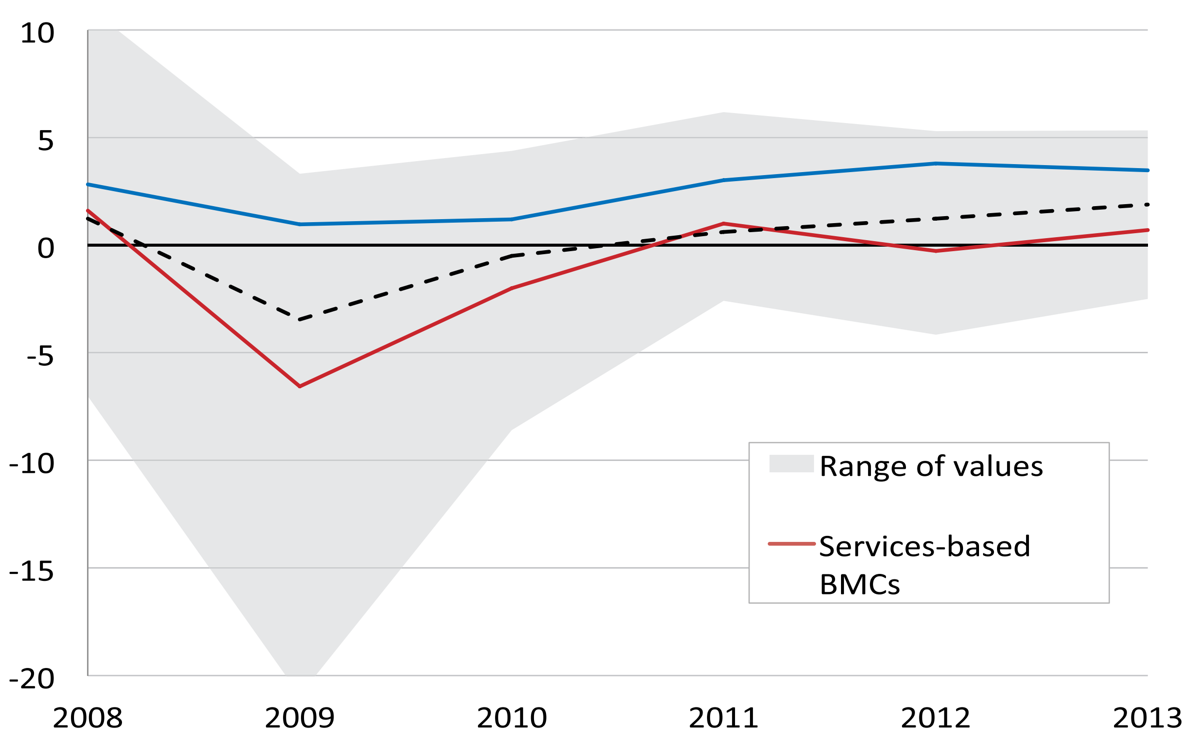
commodity prices had a dampening effect on mining and agriculture in some BMCs, but also assisted in containing inflationary pressures.

Despite lower commodity prices, growth was nevertheless led by commodity exporters, as illustrated in Figure 2. In Guyana, Haiti and Suriname, rates of expansion between 4% and 6% were driven by strong construction and agriculture outturns. Agro-processing also contributed to increased manufacturing output in Guyana. In addition, there were small but noteworthy contributions from the rapidly developing tourism industries in these economies. Growth in Guyana and Suriname was supported as well by continued investment in mining, despite the fall-off in international commodity prices. Rather than lower oil prices, ongoing maintenance and reduced oil field yield, respectively, led to contractions in mining output in Belize and Trinidad and Tobago, the other major commodity exporters in the region. However, improved overall growth performances in these two economies reflected the general upturn in construction and tourism activity. Trinidad and Tobago also benefited from a rebound in manufacturing.
(See Figure 2)

Moderate growth (1% to 3%) in Antigua and Barbuda, The Bahamas, Cayman Islands, Grenada, St. Kitts and Nevis, St. Vincent and the Grenadines and Turks and Caicos Islands was linked to the general improvement in construction and tourism. However, economic activity was sluggish, flat or contracting in the remaining BMCs, as key service industries bucked regional trends. Negligible growth was estimated for Jamaica in 2013, following a marginal decline in 2012, based on indications that a first-half contraction due to underperforming agriculture, manufacturing and tourism was negated in the second half of the year by an improvement in tourism and growth in mining and quarrying. Similarly, after contracting in 2012, economic activity is estimated to have been flat in Dominica, as declines in construction and agriculture were offset by increases in manufacturing and distribution and a turnaround in tourism and distribution. In Montserrat, economic activity contracted slightly, driven by declines in the dominant public administration and construction sectors. The slight contraction estimated for Barbados in 2013 was driven by declines in tourism and construction activity. The Barbadian economy has remained stagnant since 2008, with growth ranging from -4.1% to 0.8% over

FIGURE 2
GROWTH (%) IN REAL OUTPUT, 2008-2013*

Sources: National Statistics Offices, Central Banks and CDB *Data for 2008-12 are official data provided by BMCs, while data for 2013 are preliminary CDB estimates



GUYANA

Connecting Communities

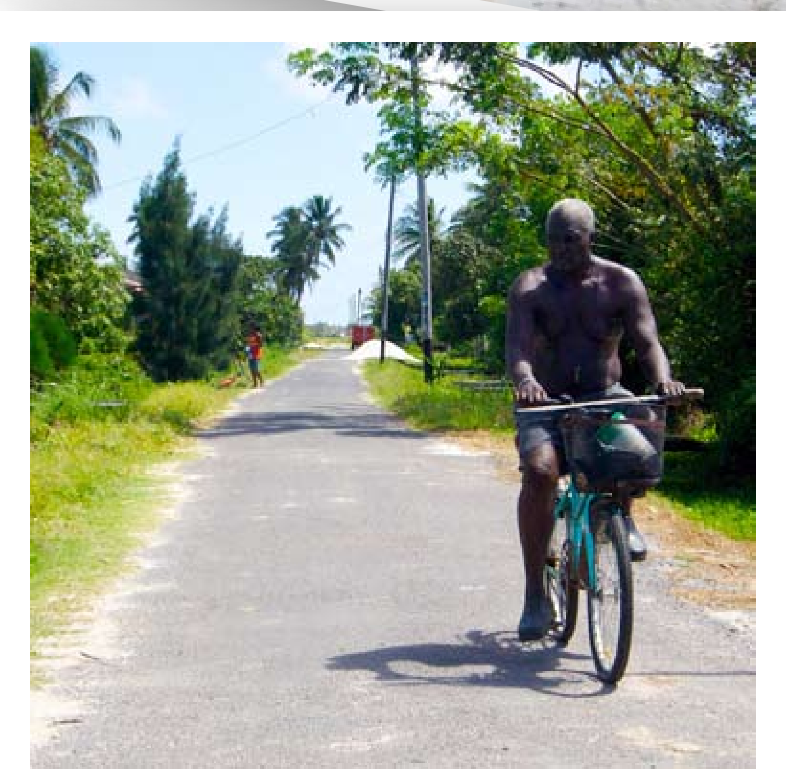
Church Street is one of the many community roads that was upgraded by CDB's Basic Needs Trust Fund. Here in Queenstown, Guyana the community roads are heavily used: by the rice farmers who cultivate the area's main crop, and by the people who attend one of the neighbourhood's many places of worship. According to **Cromwell Mentis** of the Queenstown Development Association, "People here are so grateful. They want to assure the Basic Needs Trust that they're going to care for these roads."

This is precisely the sense of ownership that **Karen Roopchand**, Project Coordinator of the Community Roads Improvement Programme, works to foster. "In each community we have volunteers who are involved in the programme. This participation is crucial because it looks at the sustainability of the programme and not just building a road for today, but ensuring that we can maintain it; that we have community involvement, and also get feedback from them, which is very important."

In Port Mourant, where CDB has rebuilt one of the Caribbean's largest indoor-outdoor markets, there was also a complete road upgrade. Karen describes some people's daily struggle before the Roads Improvement Programme came on-stream: "There are new housing areas that still didn't have roads. In other places the roads had not been upgraded in over ten years. People had to park their vehicles on the main road and walk in to their communities. When heavy rains fell, school children would hold their shoes in their hands, pull their pants up and walk through the flooded roads to go to school."

At the Meten-Meer-Zorg Health Centre on the West Coast of Demerara, they treat a range of chronic diseases such as high blood pressure and diabetes. Quick access to treatment for complications such as hyperglycaemia, saves lives. The residents in the area, largely farmers and fishermen, do not have the time, money or transportation to get to the regional hospital easily. The Health Centre resolves about 90% of its emergencies on site and is most people's only source of medical care. **Zetta Alberts**, Supervisor at the Health Centre, wants to expand their education programmes, to reduce not only chronic, but sexually transmitted diseases like HPV, which increases women's risk of cervical cancer. With the new roads funded by CDB, residents have better access to these and other services. Good roads can help foster this sense of connection and community.

CDB has funded a nationwide programme in Guyana that is building and rehabilitating roads across the country in areas such as Tuschen-Uitvlugt, Best Klien- Pouderoyen, La Reconaissance-Mon Repos, Enmore-Hope, Unity-Vereeniging, and Rosignol-Zeelust. Roads provide access to many of the services people need, including schools, hospitals, public transport, and the jobs and businesses that keep Guyana's economy moving.



CDB*focus*

QUEENSTOWN
COMMUNITY ROADS
USD151K

NATIONWIDE
COMMUNITY ROADS
IMPROVEMENT
USD16.29M

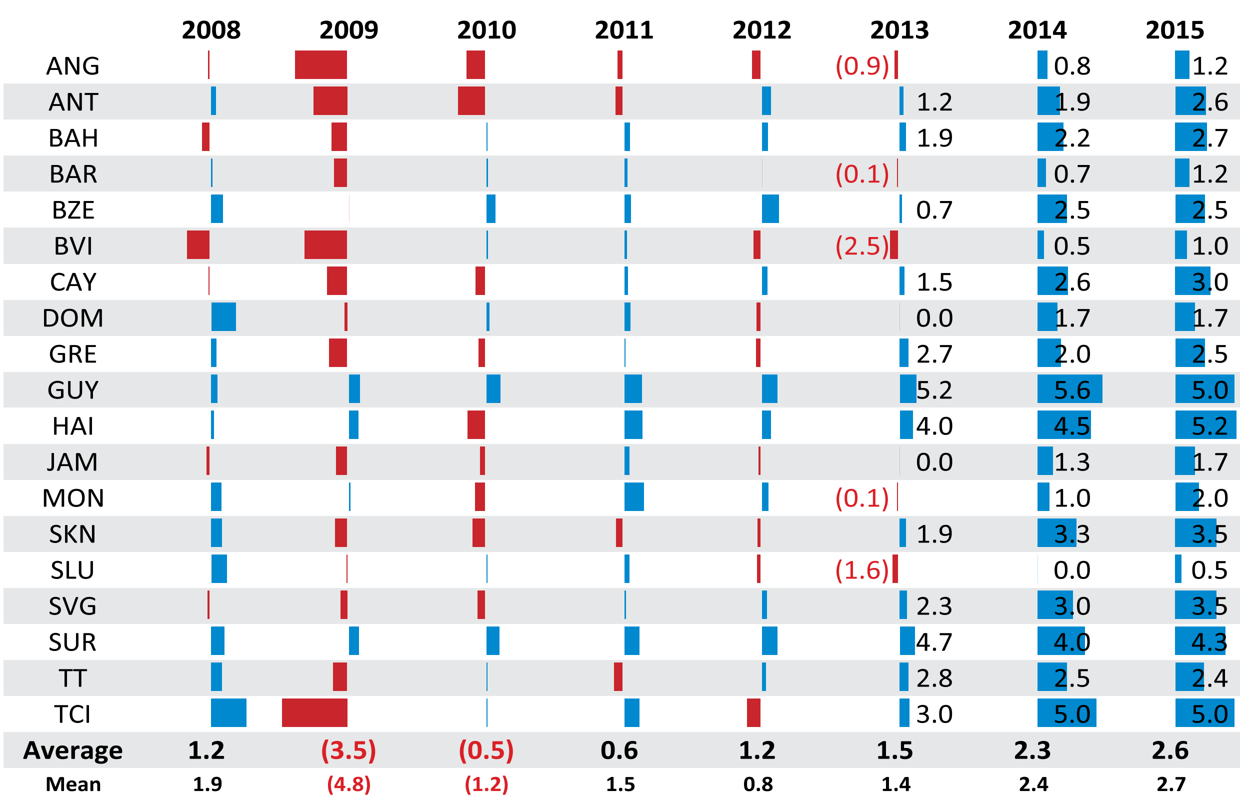
the six-year period. Meanwhile, 2013 marked the sixth consecutive annual contraction in Anguilla and the second in both BVI and St. Lucia since 2009. Poor performances in construction in all three countries, as well in financial services in Anguilla and BVI, offset growth in tourism activity. (See Figure 3)

The robust growth in construction activity in most BMCs had positive spin-off effects on the distribution, financial services, real estate and transportation sectors. Notably, there was significant public investment in critical economic infrastructure, including roads in Antigua and Barbuda, The Bahamas, Belize, Jamaica and Turks and Caicos Islands, as well as construction of a new airport in St. Vincent and the Grenadines and airport expansions in Antigua and Barbuda and Turks and Caicos Islands. In Haiti, despite ongoing issues of under-implementation of public investment projects, construction activity, including the post-earthquake reconstruction effort, continued to be a significant driver of overall output growth. There was also strong growth in private construction activity, including residential construction in Antigua and Barbuda, Belize and Guyana, together with significant FDI-driven tourism-related development in The Bahamas, Belize, Cayman Islands, Grenada, St. Kitts and Nevis, St. Vincent and the Grenadines and Turks and Caicos Islands.

In contrast, declines in construction were recorded in the five BMCs for which overall growth is estimated to have declined — Anguilla, Barbados, BVI, Montserrat and St. Lucia. In these BMCs, declining FDI for tourism-related projects, lower domestic demand and fiscal constraints on government capital investment had a dampening impact on construction activity. There was also a significant slump in construction in Dominica, as public sector projects neared completion, while private activity remained sluggish.

FIGURE 3
GROWTH (%) IN REAL OUTPUT, 2008-2013*

Sources: National Statistics Offices, Central Banks and CDB *Data for 2008-12 are official data provided by BMCs, while data for 2013 are preliminary CDB estimates



Based on the available data on visitor arrivals, it is estimated that most regional destinations saw a continued recovery in tourism output in 2013. This assessment reflects generally positive arrivals trends in the higher-value-added stay-over segment of the industry, offsetting the impact of challenges in the cruise segment.

With the ongoing economic recovery in major extra-regional source markets, stay-over arrivals data available for 7 to 11 months of the year show increases across most destinations. Notably, the European market has generally shown improvements relative to 2012, when deeply recessionary conditions and the application of the UK Air Passenger Duty (APD) had depressed arrivals from that source. However, some regional destinations have registered overall declines in stay-over arrivals, attributable largely to a combination of airlift challenges (such as airline closure and route cancellations) in the US and/or intra-regional markets, as well as the high cost of intra-regional travel. These factors have been particularly important in the negative outturns for destinations, that depend heavily on the US and/or intra-regional markets like Antigua and Barbuda, The Bahamas, Barbados, Dominica, Grenada, and St. Vincent and the Grenadines. (See Figure 4)

BMC performances in the cruise segment of the tourism industry have been more mixed. Destinations such as The Bahamas, Barbados, Belize and St. Kitts and Nevis recorded strong growth in cruise arrivals, whereas others such as BVI, Cayman Islands, Dominica and Grenada registered significant declines. The ongoing restructuring within the Caribbean cruise industry has resulted in the withdrawal of smaller vessels, which has negatively affected those regional destinations lacking the facilities to cater to the new mega-ships plying Caribbean routes. There have also been indications that some destinations need to improve their product offerings. (See Figure 5)

FIGURE 4
GROWTH (%) IN STAY-OVER ARRIVALS 2008-2013*

Sources: Caribbean Tourism Organisation, Eastern Caribbean Central Bank *2013 figures as at October for Guyana and Suriname and September for Haiti

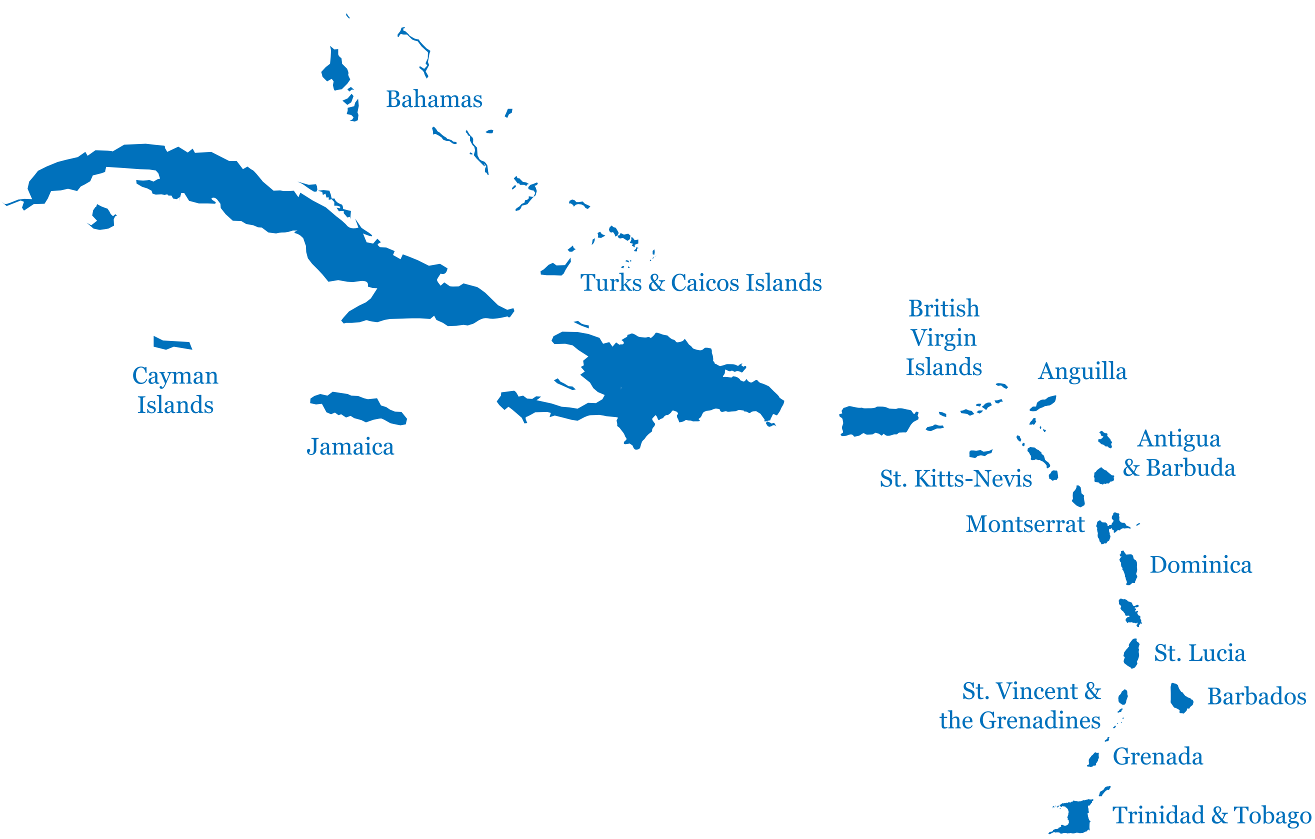
BMC	2007	2008	2009	2010	2011	2012	2013
ANG	6.4						6.8
ANT	3.2						(6.9)
BAH	(4.6)						(4.1)
BAR	1.8						(5.2)
BZE	1.8						6.1
BVI	0.5						1.2
CAY	9.1						7.4
DOM	(8.8)						0.2
GRE	9.0						0.6
GUY	15.9						1.6
HAI		n.a.	n.a.	n.a.	n.a.	n.a.	.2
JAM	1.3						1.1
MON	(2.7)						9.1
SKN	(11.6)						3.2
SLU	(5.0)						3.9
SVG	(8.0)						(3.5)
SUR	5.5			n.a.			4.8
TCI		n.a.	n.a.	n.a.	n.a.	n.a.	(0.4)
AVG		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Connecting the Caribbean

CDB is committed to regional connectivity through the support of the easy movement of people across the region. CDB's support of LIAT through its shareholder governments is expected to lead to an improvement in the financial performance and operational efficiency of the airline.

According to CDB's President, "The regional air transportation sector plays a strategically important role in the Caribbean's development, and as the intra-regional carrier with the widest network for the past 50 years, LIAT has been primarily responsible for providing the necessary intra-regional air links for the movement of people and goods, especially in the Eastern Caribbean. LIAT's services, therefore, are important for the continued viability and sustainability of the region's vital tourism and hospitality industry."

The Bank has accorded high priority to the provision of dependable and cost effective air transportation within the region, not only in the context of promoting Regional cooperation and integration; but in support of CARICOM's Single Market and Economy (CSME).



The modernization of LIAT's current fleet of aircraft will complement the on-going institutional and operational restructuring of the airline and together, will contribute towards improved viability of the company.

"In 2012 alone, LIAT's direct and catalytic impact on the economies that it serves is estimated to have exceeded USD320 million; and its contribution to the average long-stay visitor spending was significant, at about USD $63 million or 39%."

LIAT ATR-72-600

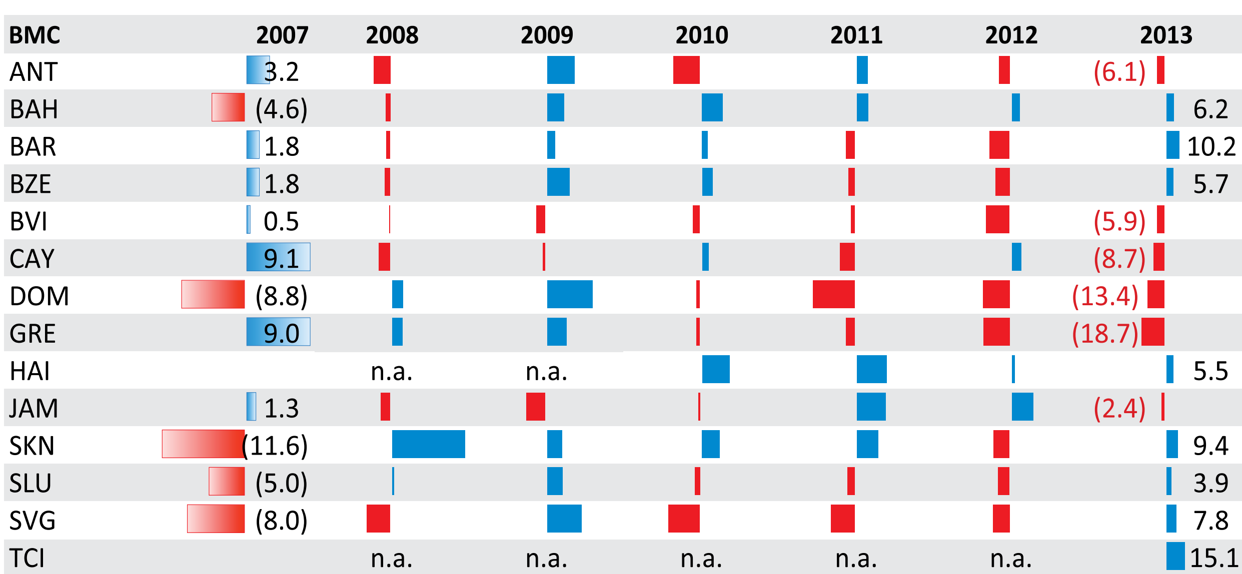
CDB*focus*

Strong growth in manufacturing was recorded in Trinidad and Tobago and Guyana, the major producers in the Region, but outturns were mixed otherwise. Manufacturing growth in Trinidad and Tobago was driven by a rebound in cement production from a significant dip in 2012 attributable to industrial unrest. In Guyana, record production levels of milled rice more than compensated for a decline in sugar production and reduced output of alcoholic beverages, pharmaceuticals and paints. Following six consecutive years of decline, there was a slight recovery in manufacturing output in Barbados, based mainly on increased food production, while beverage, soap and paint production boosted manufacturing activity in Dominica. In contrast, manufacturing declined in Jamaica, reflecting a combination of weak domestic demand and lower ethanol production; and in St. Kitts and Nevis, as exports of electrical components to the US and production of beverages for the domestic market fell.

Following on the weak performances of 2012, mining output in most of the major producers in the Region remained stagnant, in the face of continued declines in international commodity prices. For example, Guyana and Suriname recorded declines in bauxite production on account of weak external demand, as reflected in lower prices. Jamaica recorded an increase in alumina production, but this was driven by higher capacity utilisation following the resolution of technical problems that previously affected the industry. Rather than lower oil prices, oil extraction was mainly adversely affected by reduced yield of the oil fields, reserve depletion and ongoing maintenance, in Belize, Suriname and Trinidad and Tobago, respectively. With regard to gold, Suriname and Guyana both recorded increases in output, albeit at a lower rate of increase, reflecting continued investment in small-scale gold mining activity. Meanwhile, diamond mining in Guyana benefited from the fact that diamond prices have moved counter to the general downtrend in commodity prices, resulting in a surge in diamond declarations. Based on gold and diamond declarations, double-digit overall growth is estimated for Guyana's mining sector, while estimates of growth in mining value-added for Suriname are bolstered by strong public and private capital investment in the sector.

In addition to lower commodity prices, crop disease and adverse weather conditions were critical factors in declining output for some agricultural sub-sectors and/or BMCs, whereas others were able to rebound from previous impacts of these factors. For example, sugarcane output declined in Guyana on account of weather-related and operational challenges, as well as industrial unrest, although overall agricultural output nevertheless expanded,

FIGURE 5
GROWTH (%) IN CRUISE PASSENGER ARRIVALS 2008-2013
Sources: Caribbean Tourism Organisation, Eastern Caribbean Central Bank

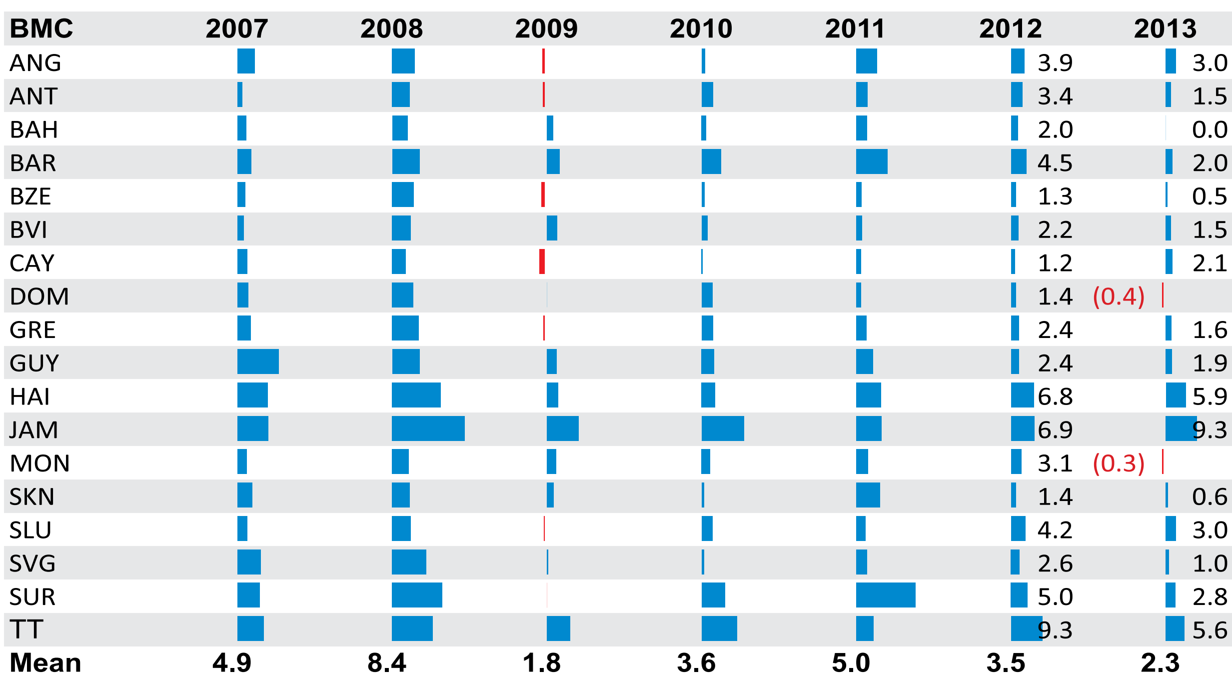


as improved yields and expanded acreage under cultivation led to record growth in rice production. Meanwhile, agriculture in Jamaica was generally negatively affected by the passage of Hurricane Sandy in 2012 and drought in 2013. The weather was also a factor in Belize, resulting in declines in citrus and banana output, while Black Sigatoka leaf spot disease continued to affect the banana industry in Dominica. Contrasting examples of BMCs that rebounded from the effects of bad weather and crop disease include: Grenada, where nutmeg and mace output increased as trees have started to recover from the impact of Hurricane Ivan; Haiti, which has seen a stronger than anticipated rebound in coffee and cocoa production from the effects of Hurricanes Isaac and Sandy; and the recovery in banana output in St. Lucia and St. Vincent and the Grenadines from the effects of Hurricane Tomas and Black Sigatoka infestation.

Notwithstanding the general strengthening of economic activity, unemployment levels remained high across the region, while inflationary pressures remained subdued. Consumer price inflation in most regional economies continued to moderate in line with international commodity prices, with some BMCs even experiencing deflationary conditions. Average inflation for the region is therefore estimated at 2.3% in 2013, down from 5.0% and 3.5% in 2011 and 2012, respectively. However, higher inflation in Jamaica mainly reflected depreciation of the exchange rate. Meanwhile, five BMCs for which 2013 labour force data are available reported double-digit rates of unemployment: The Bahamas' annual jobless rate as measured in May was 16.2%; the annual averages for Barbados, Belize and Jamaica were 11.7%, 12.9% and 15%, respectively; and the unemployment average to September for St. Lucia was 23.8%. The rate for Belize represented an improvement over the corresponding period in 2012. However, the figures for The Bahamas, Jamaica and St. Lucia marked record highs, reflecting job-less 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 lay-offs aimed at drastically reducing the wage bill over the medium term, which got underway in the last quarter of 2013. Anecdotal evidence indicates that unemployment levels also remained elevated in most other BMCs, as job creation continued to lag behind the recovery in output. (See Figure 6)

FIGURE 6
ANNUAL AVERAGE INFLATION (%) 2007-2013*

Sources: International Monetary Fund (IMF) World Economic Outlook (WEO) Database, Eastern Caribbean Central Bank (ECCB), Cayman Islands Economics and Statistics Office (ESO), Montserrat Central Statistical Office (CSO); * 2013 figures are CDB estimates



BALANCE OF PAYMENTS (BOP), RESERVES AND EXCHANGE RATES

Very preliminary BOP data generally reflected developments in the key export sectors, the reduction in international commodity prices and the pick-up in global financial markets. The strengthening of economic activity in most BMCs translated into higher import demand, the effect of which was in some cases offset by reduced import prices. Lower commodity exports and higher travel receipts were generally reflected in merchandise and services trade balances, while the income accounts of some BMCs showed reductions in interest payments related to debt restructuring. Remittances inflows were estimated to have increased in the majority of BMCs, but remained flat in a few. On the capital and financial account, most BMCs benefited from increases in FDI, particularly for tourism-related construction, as well as higher inflows of official borrowings, although there were key exceptions.

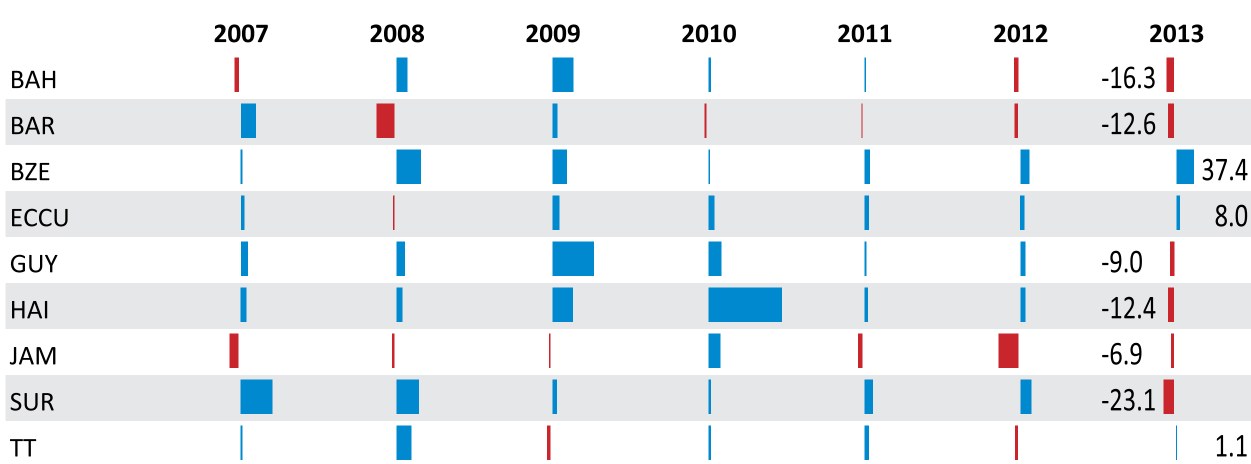
Outturns in relation to foreign exchange reserves varied in line with BOP performances, but import cover generally remained within accepted norms. Foreign exchange reserves increased in the ECCU, Belize and Trinidad and Tobago, and fell in the Bahamas, Barbados, Guyana, Haiti, Jamaica and Suriname. Most BMCs continued to hold reserves in excess of the international 3-month/12-week benchmark. With regard to BMCs operating flexible exchange rates, the Trinidad and Tobago dollar and the Guyana dollar remained relatively stable (depreciating by under 1%), while the Haitian gourde and Jamaica dollar depreciated more sharply. During the year, the Jamaica dollar depreciated by 14.6%, as compared with a 6.8% depreciation in the previous year, reflecting increased foreign-currency demand. The Haitian gourde depreciated by about 3.4%, as official transfers and financial inflows related to post-earthquake recovery and reconstruction tapered off. (See Figure 7)

MONETARY DEVELOPMENTS AND FINANCIAL STABILITY

Monetary developments in the region continued to be characterised for the most part by weak credit and high levels of liquidity, notwithstanding the generally accommodative monetary policy stances maintained by Central Banks. Haiti and Suriname were key exceptions, with credit growing at a brisk pace. Given concerns about increasing risks to macroeconomic stability from the rapid acceleration in credit growth, the Central Bank of Suriname tightened its monetary policy settings. The Central Bank of Haiti effected its tightening of monetary ploicy settings in response to the depreciation of the gourde, doing so by raising the Bank's reserve requirement ratios rather than increasing policy rates, as it sought to still support credit growth to stimulate economic activity. Domestic credit also expanded in Guyana, but monetary policy became more accommodative toward the end of the year amid signs that

FIGURE 7
ANNUAL CHANGE IN NET INTERNATIONAL RESERVES (%) 2007-2013*

Sources: Regional central banks, CDB calculations



credit growth was slowing. In an environment of slowing inflation and low exchange rate volatility, the monetary authorities maintained the repo rate at an accommodative level in Trinidad and Tobago, aimed at boosting credit in order to support growth in economic activity. At the same time, however, the Central Bank of Trinidad and Tobago took steps to absorb some of the prevailing excess liquidity through its open market operations.

Regional financial systems generally reported soundness and stability indicators within prudential guidelines, apart from the ECCU indigenous banking sector, which continued to face critical challenges. Non-performing loans (NPLs) remained high in several BMCs, but most institutions appeared to be adequately capitalized and other financial soundness indicators remained within prudential guidelines. ECCB took control of the operations of two indigenous commercial banks in Anguilla in August 2013, in order to maintain stability in the regional financial system, and a resolution strategy is under preparation. Meanwhile, the resolution strategy for Antigua and Barbuda Investment Bank (ABIB), which was taken over by ECCB in July 2011, remains under implementation.

FISCAL PERFORMANCE AND DEBT

Fiscal performance deteriorated in 6 of the 9 most highly indebted BMCs, resulting in increased indebtedness, whereas the other 3 saw marked improvements. Revenues shrank in the context of contracting output in Barbados and St. Lucia, the abolition of tourism taxes in Antigua and Barbuda and stagnating grant inflows that offset higher proceeds from the recently extended Economic Citizenship Programme in Dominica. Higher expenditures reflected expanded public sector investment in capital projects in Antigua and Barbuda and St. Vincent and the Grenadines, with the latter also increasing spending to honour wage increases. In addition, there was off-budget expenditure in St. Vincent and the Grenadines for the construction of a new airport. Consequently, notwithstanding cutbacks in capital spending in Barbados, Dominica, Grenada and St. Lucia, or Antigua and Barbuda's successful completion of an IMF programme in June 2013, debt ratios rose in all 6 BMCs. Preliminary estimates indicate that Barbados had the most notable debt accumulation (approximately 10 percentage-points (pp) increase in the debt ratio to 108% of GDP), followed by Grenada and Antigua and Barbuda (6 pp each to 116% and 95%, respectively), St. Vincent and the Grenadines (3 pp to 73%), Dominica (2.8pp to 72.5%)

BARBADOS, BAHAMAS, CARDI, UWI

Sustainable Agriculture Systems

The agricultural sector is expected to remain an important contributor to food and nutrition security and socio-economic development in several CDB BMCs in the short to medium term.

In order to remain competitive, Caribbean farmers must address issues related to low productivity, produce quality, and inconsistent supply. One of the most promising technologies which can assist in this regard is the use of protected agriculture systems.

Over the past five years, CDB has financed several initiatives designed to identify the reasons for the less than optimal performance of the protected agriculture systems technology in the Caribbean, and to support the development of the industry. The first intervention was the engagement of consultancy services in November 2007 to conduct an evaluation of the protected agriculture technology in the production of vegetables in select CDB Borrowing Member Countries (BMCs). This was followed by the financing of a study tour to the Chinese Academy of Agricultural Sciences (CAAS) by a team of six researchers from The University of the West Indies, Caribbean Agricultural Research and Development Institute (CARDI) and the Ministries of Agriculture in Barbados and the Bahamas. CARDI was also given a grant of USD285,000 for the conduct of research and training in protected agriculture. This allowed for the hosting in November 2012 of a training workshop and stakeholder symposium for twenty-five researchers and extension agents from nine BMCs - in partnership with CAAS.

PROTECTED
AGRICULTURE SYSTEMS
USD285K

CDB*focus*

and St. Lucia (1.5pp to 73.6%). In Barbados, Grenada, St. Lucia and St. Vincent and the Grenadines, the run-up in debt was reflected in credit rating downgrades.

On the other hand, successful debt restructuring in Belize, Jamaica and St. Kitts and Nevis, as well as satisfactory progress on IMF-sponsored adjustment programmes by Jamaica and St. Kitts and Nevis, underpinned improved debt dynamics and prompted credit rating upgrades for Belize and Jamaica. In the fiscal year ended March 2013, Belize's fiscal performance was marked by a narrowing of the primary surplus but an improvement in the overall balance, as reduced interest expenditure related to the restructuring of the external debt in March 2013 led to a decline in overall expenditure. There were, however, some subsequent slippages relative to budgeted outturns, due to unanticipated outlays for reconstruction and rehabilitation works following excess rainfall in the second half of 2013, which partially reversed the improvement in the debt ratio. Jamaica has met fiscal targets for the primary and overall balances and tax revenues under an Extended Fund Facility (EFF) arrangement initiated with the IMF in 2013. Notably, the completion of a (second) debt exchange in February 2013 as a prior action under the EFF has contributed to this improved performance by lowering interest payments significantly. The St. Kitts and Nevis government's strong fiscal performance in 2012 carried over into 2013, with recurrent revenue increasing (largely driven by receipts under the Citizenship by Investment Programme), while recurrent expenditure fell, mainly because of lower interest payments relating to the ongoing restructuring of the public sector debt. Consequently, the St. Kitts and Nevis government reported recurrent and overall surpluses and continued to meet targets under its three-year SBA with the IMF. Significant progress was made on debt restructuring, as a result of which the debt ratio has fallen to approximately 99.7% of GDP at end of 2013, as against approximately 146.5% in June 2011, when the government had first approached creditors about restructuring. (See Figure 8)

Among the ten BMCs with debt ratios below the international benchmark of 60%, fiscal performances were mixed. The five UK Overseas Territories (OTs) all saw improvement in public finances in 2013. Debt ratios among the OTs remained relatively low (under 40% of GDP). However, all remained either in breach of borrowing guidelines (and therefore required UK approval for new borrowing) or dependent on UK budgetary support.

Anguilla, BVI and Cayman Islands all recently agreed on new borrowing guidelines with the UK government. Despite improved fiscal performances in 2013, characterised by careful control of expenditures in order to build up operating reserves and facilitate reduction of outstanding debt, all three remained in breach of the new guidelines and would therefore require UK approval for any new borrowing.

FIGURE 8
CHANGE IN DEBT 2007-2013 AND DEBT/GDP RATIO, 2013
Sources: IMF, CDB estimates

	Change in Debt (percentage points)							Debt as %
BMC	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**of GDP 2013**
JAM							-3.4	143
GRE							6.3	116
BAR							9.9	108
SKN							-6.3	100
ANT							6.1	95
BZE							0.1	76
SLU							1.5	74
DOM							2.8	73
SVG							3.1	73
High Debt	**-5**	**-1**	**10**	**3**	**0**	**-9**	**2.1**	**95**
GUY							-7.0	58
BAH							4.9	56
SUR							15.1	37
TT							-1.2	33
HAI							5.0	20
Low Debt	**-11**	**0**	**1**	**1**	**-1**	**3**	**3.1**	**41**

The other two OTs, Montserrat and Turks and Caicos Islands, remained heavily dependent on UK budgetary support. Montserrat recorded a smaller deficit despite a decline in current revenue and large increases in both recurrent and capital expenditure. This improvement was driven by a significant rise in budget support to finance the increased spending, which largely reflected settlement of arrears and a major geothermal exploration project. There was also a marked improvement in Turks and Caicos Islands' public finances in 2013, as revenues were boosted by budget support and proceeds from the sale of various assets, while recurrent spending decreased on account of a right-sizing programme and other fiscal consolidation measures, within the context of a recently formulated fiscal strategy.

Despite also maintaining relatively low debt ratios, most other BMCs nevertheless recorded significant increases in debt, as public finances came under pressure. In The Bahamas, Haiti, Suriname and Trinidad and Tobago, financial pressures generally reflected increased capital spending and declining revenues, as well as wage settlements in Suriname and Trinidad and Tobago. For The Bahamas, both Moody's and Standard and Poor's affirmed their ratings of Baa1 and BBB with negative outlooks correspondingly. Conversely, despite the weakening fiscal position, Suriname's general fiscal prudence earned it rating upgrades in 2013 by credit rating agencies. It is noteworthy in this regard that the Surinamese government is at the legislative stage of setting up a Sovereign Wealth Fund as a repository of windfall mineral revenues to minimise revenue-driven macroeconomic volatility. Moreover, the debt to GDP ratio, though 15 percentage points above that of 2012, was still relatively low, estimated at 37.1% at the end of 2013. In Trinidad and Tobago, while the debt stock increased in absolute terms as a result of the fiscal deterioration, relatively higher nominal GDP growth resulted in a decrease in the debt to GDP ratio. Guyana was a key exception to the trend within this group of BMCs. The overall deficit narrowed, coming in below the budget target, as the expansion in economic activity was reflected in increased revenues, while debt relief, debt compensation arrangements and loan repayments led to a reduction in the debt stock.

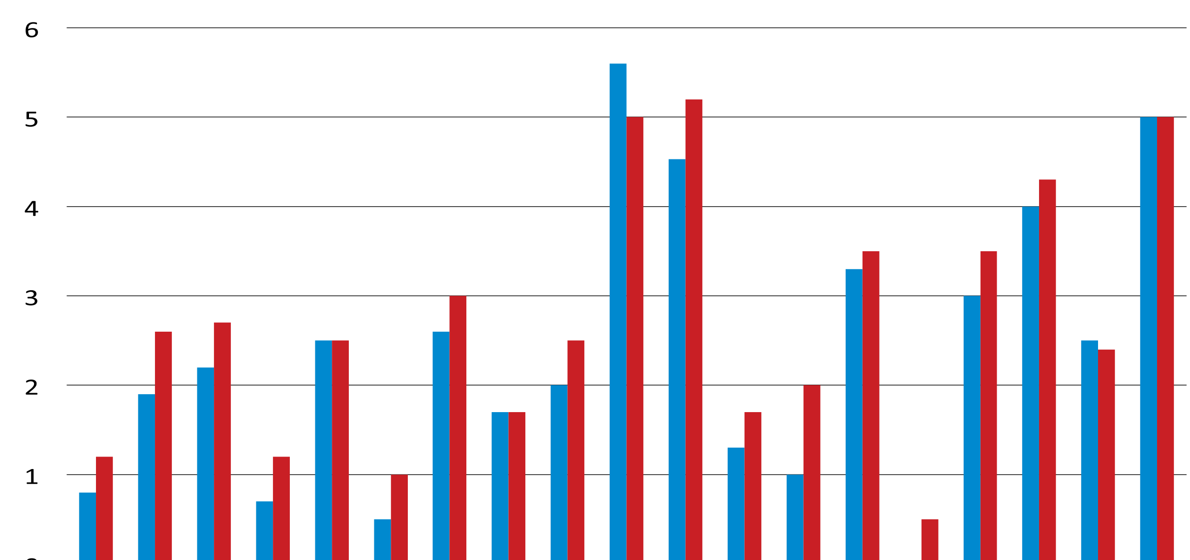
OUTLOOK

Global growth is set to accelerate from 3% in 2013 to 3.6% in 2014, according to the IMF's April 2014 World Economic Outlook. The acceleration is expected to be accompanied by a rebalancing of the uneven performance of previous years. A firming of advanced economies is anticipated, with faster growth in the US and a return to growth in the Euro Area, which had slipped back into recession in 2012. Continued strong growth is expected for emerging and developing economies, despite projected slower growth in China. In addition, further declines in commodity prices are anticipated. (See Figure 9)

Prospects for the region are inextricably linked to the international outlook. The region is therefore expected to grow by around 2.3% on average in 2014. Led by Guyana, Haiti and Suriname, growth is expected for all 19 BMCs, with most again set to grow by 1% - 3%. The recovery in regional tourism is expected to strengthen with the anticipated faster growth in the US and a 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. The recovery and reconstruction efforts required in the wake of the Christmas Eve 2013 trough system that produced severe flooding in St. Lucia, St. Vincent and the Grenadines and, to a lesser extent, Dominica, should also lead to increased construction activity in these countries but put added pressure on the fiscal accounts to cover these unplanned expenditures.

While continuing to dampen growth prospects for the region's commodity exporters, the projected moderation in global commodity prices should also 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. Towards year end, Barbados announced plans for public sector lay-offs and/or hiring freezes as part of its adjustment efforts. Grenada also announced plans to restructure its debt within the framework of an IMF-sponsored home-grown adjustment programme.

FIGURE 9
REGIONAL GROWTH (%) PROJECTIONS, 2014 AND 2015
Source: IMF, CDB Projections



	ANG	ANT	BAH	BAR	BZE	BVI	CAY	DOM	GRE	GUY	HAI	JAM	MON	SKN	SLU	SVG	SUR	TT	TCI
2014	0.8	1.9	2.2	0.7	2.5	0.5	2.6	1.7	2.0	5.6	4.5	1.3	1.0	3.3	0.0	3.0	4.0	2.5	5.0
2015	1.2	2.6	2.7	1.2	2.5	1.0	3.0	1.7	2.5	5.0	5.2	1.7	2.0	3.5	0.5	3.5	4.3	2.4	5.0

Regional policymakers are faced with a number of critical challenges in 2014. The need for further 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. These challenges are compounded by the region's vulnerability to natural hazards and climate change impacts and its dependence on imports for food and fuel. Issues of adjustment, competitiveness, resilience and, critically, access to finance for investment in these areas will, therefore, be the focus of CDB's engagement with its BMCs in 2014.

Part Two

OVERVIEW OF CDB'S PROJECT OPERATIONS AND IMPACT

OVERVIEW

CDB recorded a strong recovery in loan approvals and disbursements in 2013. Sustained improvements in global growth and the strengthening of regional economic performance, as well as improved efficiencies and strengthening of internal controls, provided the backdrop for the turnaround in Bank operations during the year.

Loan approvals totaled USD139mn, up 34% from USD104mn in 2012. Similarly, loan disbursements amounted to USD147mn in 2013, some 75% above disbursements of USD84mn in 2012. Grant approvals in 2013 were USD18.4mn and disbursements USD44.7mn.

The Bank's interventions in human resource development in its BMC's continued to promote the development of the skills and competencies required to foster growth. This emphasis is consistent with CDB's commitment to expanding the pool of Caribbean citizens capable of leading productive lives in an internationally competitive environment. The investments in education and training in 2013 were, therefore, channeled in two complementary pathways for economic growth and competitiveness. First, CDB continued to support expanding the quality of basic education, so that graduates can successfully transition to higher education and training opportunities or acquire skills for entry level employment. An amount of USD24.5mn was approved for both Antigua and Barbuda and the Republic of Haiti to enhance instructional effectiveness and expand opportunities for children to complete primary and secondary education. Second, USD22.8mn was approved for post-secondary and tertiary education in Anguilla and The University of the West Indies' Open Campus programme.

Agriculture represents an important vehicle for reinvigorating regional economic growth while reducing unemployment and poverty rates. As part of a broad strategy to encourage the expansion of traditional export crops where viable markets exist, to strengthen agro-tourism linkages and promote the development of non-traditional high value products, CDB has been emphasising agricultural research and development and building climate resilience. In this regard, the Bank approved a USD625,000 grant to the Caribbean Agricultural Research and Development Institute (CARDI) for the development of an integrated disease management programme for controlling Black Sigatoka disease in Dominica, Guyana, St. Lucia and St. Vincent and the Grenadines. The disease has the potential to devastate the banana and plantain industries in the region.

Through CARDI, CDB also has ongoing programmes to aid the development of protected agriculture and the small ruminant industry in the Region. Both of these interventions are in the early stages of implementation and provide for research, stakeholder training and capacity building.

Guyana will benefit from loans totaling almost USD28mn to strengthen sea and river defence systems. The Bahamas and Dominica, each received USD750,000 under the Bank's Immediate Response Loan programme to finance the clearing, cleaning and emergency restoration of services affected by severe tropical weather systems. With an emphasis on building resilience, a USD4.6mn loan to the Government of Barbados will improve drainage infrastructure in order to reduce flood hazard in the Speightstown area. A loan of USD11mn will also finance improvements in the security, reliability and efficiency of the electricity transmission and distribution systems across Belize.

CDB approved loans totaling USD65mn to four shareholder governments (Barbados, Antigua and Barbuda, St. Vincent and the Grenadines, and Dominica) for on-lending to LIAT (1974) Ltd. These loans will be used to finance LIAT's Fleet Modernisation Project, including the purchase of new aircrafts the upgrading of maintenance facilities, and other institutional strengthening activities aimed at improving the airline's financial performance and operational efficiency. LIAT serves as an important vehicle for intra-regional trade in goods and services and provides vital airlift for tourists visiting the Eastern Caribbean.

During 2013, the Bank strengthened its risk capacity via the comprehensive implementation of an enterprise risk framework. This initiative resulted in the integrated management of risks and capital, improvements in governance, strengthened human resource capabilities, enhanced reporting, robust monitoring, and bankwide training and awareness to embed a strong risk culture.

BUILDING A RESILIENT EDUCATION SECTOR

In 2013, the Bank's interventions in human resource development continued to promote quality education and training, and the development of the skills and competencies required to foster growth in Borrowing Member Countries. This emphasis was consistent with CDB's commitment to expanding the pool of Caribbean citizens capable of leading productive lives in an internationally competitive environment. The investments in education and training were therefore channeled into two complementary pathways for the achievement of economic growth and competitiveness.

Firstly, CDB continued to support the expansion and enhancement of basic education, so that graduates could successfully transition to higher education and training or acquire skills for entry level employment. A strong focus in this regard continued to be placed on increasing access and enhancing the quality of the physical environment. During the year under review CDB assisted eight BMCs to expand access to basic education by supporting the provision of 149 additional classrooms, specialist rooms and laboratories. Thirty-two were in Early Childhood Development (ECD) where the focus is on helping BMCs to provide access to the most vulnerable students who, as a result of their impoverished circumstances, may be most at risk for educational failure. These classrooms help to bring regional coverage in ECD to about 72%.

Developing school leadership capacity and improving teacher effectiveness were critical elements of the Bank's focus, given the importance of both to the promotion of differentiated approaches which impact on student achievement. Accordingly, during the year, 1,148 teachers and school administrators in six BMCs received training

ST. LUCIA

Landslide Risk Assessment

Landslide risk is assessed to be high to moderate for approximately 5% of St. Lucia's primary road network

Overall, while this percentage may be considered low, the risk is significant because the locations constitute critical road network hotspots. Given the lack of redundancy within the overall network, landslide impacts at these hotspots can result in the north and south of the island being completely cut-off from each other. The high potential for disruption and discontinuity of the flow of goods, services, and people, from recurrent natural hazard events affecting such critical network hotspots, is therefore a factor of significant socio-economic concern. The United Nations Economic Commission for Latin America and the Caribbean estimated damage caused by Hurricane Tomas to the road transport sector of St. Lucia at US$45mn, accounting for 13.3% of the total monetary impact of the event.

The Study indicates that landslide densities per km along the same critical (high to moderate) landslide risk hotspots recorded for Hurricane Tomas, increased by as much as 11.5, over that recorded for Hurricane Allen. The Allen event recorded rainfall levels of 127mm in 24 hours (hrs) while the Tomas event recorded as much as 668mm in less than 24 hrs. Rainfall generated by Tomas in St. Lucia, was characterized as a 1 in 200 year, return period, event.

The increase in landslide density per km is particularly concerning in light of future predicted climate variability and climate change. While climate change model runs for St. Lucia are broadly consistent in indicating decreases in rainfall, International Panel for Climate Change global projections indicate that the frequency of heavy precipitation/high intensity or extreme events will be, very likely, increasing in the 21st century. Simply put, the frequency of extreme events, e.g. Tomas - generated rainfall, is likely to increase in the future.

The study apprises the Government of St. Lucia (GOSL) not only of landslide risks but also about cost-effective structural and non-structural measures that are required, as a priority, to build future road network resilience along these hotspots. This will contribute to improved socio-economic continuity and road safety.

The findings of the study will also assist GOSL to make evidence-based decisions that would facilitate systematically prioritizing investments and budgets towards building and maintaining primary road network resilience to landslide risk.

CDB*focus*

Over the past decade, the Caribbean Development Bank has made important contributions to supporting development results in its Borrowing Member Countries.

In recent years, operations have been scaled up in response to economic and financial difficulties in the region with special attention given to natural disaster situations. Bank-supported investments have yielded significant results across many areas, as shown here by selected results from the Bank's results monitoring framework.

The Caribbean Development Bank's Contribution to Development Results Since 2005

Financing 260,000 students

Education

Provided improvements in classroom facilities and increased access to finance to over 260,000 students.

Assisted in the training of more than 8 thousand teachers, which should in turn improve the quality of teaching and education throughout the region.

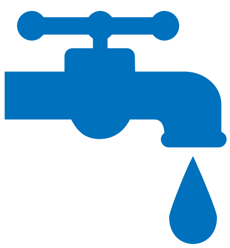
Supporting over 7,000 businesses

Private Sector Development

Supported over 7,000 Micro, Small and Medium-sized businesses through skills training and technical assistance.

Increased access to credit for over 2,000 small businesses and individuals.

Improved Infrastructure for millions



Social and Economic Infrastructure

Financed the construction or rehabilitation of more than 3,700 kilometres of primary and secondary roads, benefitting an estimated 600,000 people directly in the catchment areas, and many more users indirectly.

Provided more than ½ million people with access to new or improved community buildings.

Installed or upgraded about 3,400 kilometres of water lines, affording over 63,000 households (200,000 people) with access to a clean water supply and improved sanitation.

Improved land use

Agriculture and Rural Development

Improved the use of more than 8,000 hectares of land through drainage, flood and irrigation works.

Financed training for approximately 2,000 stakeholders in advanced agricultural production techniques, and provided credit for a further 400 rural enterprises.

CDB *focus*

designed to enhance their pedagogical and instructional leadership capacity. Almost 56,000 students benefitted from these interventions. In St Lucia, where training has been on-going for three years as part of the Basic Education Enhancement Project (BEEP), positive results have already been observed in student performance in the Grade 2 and Grade 4 National Assessment.

PERCENTAGE OF STUDENTS ACHIEVING MINIMUM STANDARD/ PERCENTAGE OF STUDENTS PASSING

Grade	Subject	2010	2013	% Increase
Grade 2	English	59.7	64.3	4.6
	Mathematics	59.9	62.7	2.8
Grade 4	English	52.3	57.2	4.9
	Mathematics	53.3	61.5	8.2

In addition, in the Dominica Education Enhancement Project, in a pilot supporting the teaching of Mathematics at the Grade Two level, there has been notable improvement in student achievement. Performance in the Grade 2 National Assessment has seen the proportion of students achieving the minimum standard increasing from 35% in 2008 to 48% in 2013. This already surpasses the target of 47% expected by 2014.

In support of these goals as well, USD13.4mn was approved for Antigua and Barbuda to provide the physical infrastructure required to achieve universal secondary education access, as well as to enhance instructional effectiveness and leadership of the schools and the education system.

In addition, the Bank continued its efforts at expanding opportunities for poor children in Haiti to complete the primary cycle of basic education. To this end, under Phase II of the Education For All (EFA) project, USD11mn was approved to continue the Bank's assistance in the provision of tuition waivers and school feeding for poor and vulnerable students, and to improve the development of teacher and leadership capacity within the system. The continued assistance will add to the 3,600 teachers trained, the135,000 students who benefited from tuition waivers and the 25,000 who benefited from school feeding in Phase 1 of the project. A first for CDB in this project will be the provision of physical infrastructure through the construction of four schools in rural areas currently lacking

school facilities. These schools will provide access for early childhood, primary and multi-grade students, most of whom will be participating in formal schooling for the first time.

The second complementary pathway addressed in CDB's programming in 2013 was post-secondary and tertiary education and training. Recognising that development of the higher education sub-sector is necessary for sustained economic and social development across BMCs, the Bank approved a total of USD22.8mn for post-secondary and tertiary education for Anguilla and The University of the West Indies Open Campus. The project in Anguilla will provide facilities to facilitate student growth, enhancement of instructional and management capacity, and enhancement of quality, relevance and programme offerings. The Open Campus project will enhance its capacity to increase enrolment and provide quality tertiary education and training in St. Lucia and St. Vincent and the Grenadines, as well as to upgrade skills for employability, consistent with national and regional development imperatives. Training of teachers to enhance their capacity in the delivery of competency-based education and training is also a key element of the Bank's support in this area. One hundred and forty-three teachers and administrators in Guyana are now more competent in this regard, after undertaking training in 2013 under the Guyana Enhancement of Technical Vocational Education and Training (TVET) project.

These projects all contained a focus on the Bank's cross-cutting theme of gender equality through, inter alia, the development of psychological services for students, increased attention to gender balance in TVET, and the addressing of stereotypes in teacher education. The SDF (Unified) 8 strategic theme of Citizen Security is also represented through the incorporation of Technical Assistance (TA) projects for at-risk youth.

Lastly, mindful of the principles of development effectiveness, during 2013 the Bank deepened its collaboration with other MDBs and donor organisations to strengthen capacity in BMCs. Education for All in Haiti continued to be executed in collaboration with the World Bank. CDB also worked with UNESCO and UNICEF to strengthen capacity for educational planning, with IDB to advance TVET in Haiti, and to identify metrics for improving learning and measuring learning outcomes regionally, and with CARICOM to facilitate the enhancement of early childhood development.

BUILDING RESILIENT ECONOMIC INFRASTRUCTURE

CDB's BMCs benefited from several projects in 2013 which provided improvements to the road infrastructure sector in their respective countries. Over 233 km of the primary and secondary road network was upgraded to provide all-weather access for approximately 282,000 beneficiaries.

CDB has long recognised that one way of promoting broad-based economic growth and inclusive social development is through strengthening and modernizing economic infrastructure. Economic infrastructure refers to all the permanent engineering structures, equipment and physical facilities that are the basis for providing energy, transport, telecommunications, water and sanitation services to productive sectors and households.

CDB has committed resources in its current programming cycle to support efforts to improve intra-regional transportation for better movement of goods and persons. In 2013, CDB financed five interventions relating to both road and air transportation.

There were four interventions within the sub-sector Road Transportation and they were all in the form of Technical Assistance projects. Barbados received an USD2.04mn loan for bridge and road improvement studies to prepare capital projects aimed at increasing the efficiency and resilience of the existing road network on the island. The two studies will focus on the upgrade of the Ronald Mapp Highway, an important artery leading to the north of the island and the replacement of a series of bridges in the Scotland District of the island. Both of these consultancies support the United Nations "Decade of Action for Road Safety" and their outcome will be an enhanced capacity of MTW to prepare a technically and economically viable programme of capital works that will result in a more efficient and safer road network.

The St. Lucia Technical Assistance Project, for which the Bank approved a grant of USD0.15mn, will assist in financing a feasibility study for a new road route linking the north and south of the island. The existing road link is susceptible to landslides and flooding and the project will examine the feasibility of both providing redundancy within the road network as well as providing a link that is more resilient to natural disasters and the projected effects of climate change. The expected outcome of this TA project is an evidence-based decision by the Government of St. Lucia on investments related to improving road access between the north and south of St. Lucia.

CDB also funded two projects aimed at increasing the capacity of staff within line ministries of its BMCs to integrate road safety, disaster risk and climate change considerations into their day to day operations. This was achieved by funding the attendance of approximately 55 key operatives at the Caribbean Road Congress, and supporting web-based seminars aimed at building road sector capacity in key ministries.

The regional air transportation sector plays a strategically important role in the Caribbean's development and, in support of this, CDB financed LIAT (1974) Ltd's Fleet Modernisation Project through loans totalling USD65.0mn to four regional governments. As a result of this project, by the end of 2014 LIAT is expected to operate a new fleet of aircraft through the purchase 5 ATR-42 aircraft and the leasing of a further 5 ATR-72 aircraft. Additionally, over 350 pilots, cabin crew technicians and engineering staff will be trained to operate and maintain this new fleet. It is hoped that through this project LIAT will achieve improved operational efficiency and financial performance which will lead to improved regional air transportation services contributing to economic and social development.

As part of the Bank's objectives of promoting environmental sustainability, disaster risk mitigation and climate change mitigation & adaptation in its BMCs, two projects were approved for Guyana and Barbados at a total of close to USD30mn: a Sea and River Defence Resilience Project in Guyana (USD25mn) and the Speightstown Infrastructure Development Project in Barbados (USD4.62mn). The Sea and River Defence Resilience Project in Guyana will finance the construction of approximately 5.4 kilometres of Sea/ Riverine defences, as well as improve the capacity of Guyana in monitoring its shore-zone. The Barbados project will finance infrastructure works in and around Speightstown; the island's second town. The loan will finance the lining of

GUYANA, DOMINICA, ST. VINCENT & THE GRENADINES AND ST. LUCIA

Daylight Come And We Want More Bananas

Improving the Competitiveness of the Banana and Plantain Industry in Selected BMCs

Bananas are now the world's most valuable fruit, with exports rising from 11.9 million (mn) tonnes in 2001 to 16.5 mn in 2012. Whilst CDB BMCs have lost market share to more competitive producers, banana and plantain production still remain significant agricultural activities in several BMCs. The most recent challenge facing the industry in the Region is Black Sigatoka Disease (BSD). Based on evidence obtained from other banana producing regions, BSD has the capability to devastate the banana and plantain industries.

Worldwide, the principal method of BSD control is through improved agronomic and cultural practices, timely application of fungicides and use of resistant/tolerant cultivars. However, an analysis of BSD control programmes in CDB BMCs (Windward Islands and Guyana), conducted in November 2013, revealed a focus on the use of fungicides – a relatively costly approach to management of the disease. Discussions with stakeholders in these countries revealed that whilst recognising the need for a more integrated approach to BSD management, technical and financial constraints have limited the scope of their interventions.

In response, CDB's Board of Directors, in December 2013, approved a grant of USD625,000 to support the Caribbean Agricultural Research and Development Institute (CARDI) in the development of an Integrated Disease Management (IDM) programme for BSD control in Guyana, Dominica, St. Vincent and the Grenadines and St. Lucia and to build stakeholder capacity through training in the implementation of the BSD IDM. The intervention is expected to lead to an improvement in the capacity of stakeholders in the target countries to monitor the incidence of BSD; and implement more cost effective strategies to reduce the impact of the disease at the farm level.

CDB*focus*

INTER-AMERICAN DEVELOPMENT BANK (IDB),
THE UNITED KINGDOM DEPARTMENT FOR INTERNATIONAL DEVELOPMENT,
FOREIGN AFFAIRS, TRADE AND DEVELOPMENT CANADA

Partnering for Competitiveness

CDB continues to provide implementation support to Compete Caribbean (CC), a private sector support programme jointly funded by the Inter-American Development Bank (IDB), the United Kingdom Department for International Development and Foreign Affairs, Trade and Development Canada.

Compete Caribbean (CC) offers technical assistance grants and investment funding focused on the development of policies, business climate and competitiveness reforms (the main component), clustering initiatives, trade and integration to increase productivity and export capacity in 15 Caribbean countries, with CDB partnering with IDB to facilitate the implementation of projects in the Organisation of Eastern Caribbean States (OECS) Member Countries. Some of the activities undertaken during 2013, with the support of CDB, include strengthening public-private dialogue in St. Lucia through the establishment of a National Competitiveness Council, implementing key reforms to improve the business climate, as well as providing direct firm support under the Innovative Challenge Fund to partially offset the risk involved in developing new products or adoption of new business processes for projects with export and employment potential. Under CC, CDB facilitated disbursements of $0.1mn. The expected outcome from such intervention is improved competitiveness and enhanced contribution to economic growth arising from such business climate reforms and innovation.

the main drainage channel, the construction of two bridge structures as well as provide Technical Assistance for flood reduction maintenance, planning and public education.

CDB provided a loan to Belize Electricity Limited (BEL) of USD11.23mn which will improve the reliability of BEL's sub-transmission and distribution systems thereby delivering quality power supply to its customers in an efficient manner, with sufficient capacity to cater for projected demand in four major load centres across Belize. This will be achieved by the end of 2016 through the upgrade of 39 miles of sub-transmission and distribution lines, the construction of 5.5 miles of transmission lines, sub-stations and installation of transformers.

BUILDING RESILIENCE THROUGH THE ENVIRONMENT

During 2013, environmental sustainability of investments to support growth continued to be central to CDB's strategic agenda. The Bank worked with BMC governments through preparation of country strategies, technical assistance and capital projects to help strengthen BMC capability for analyzing and reducing constraints to environmentally sustainable growth. An estimated USD34.3mn in loans and grants was approved for environment, disaster and climate change-related projects.

The 2013 hurricane season was the first year since 1994 in which no major hurricanes weregenerated. While the storms of 2013 did not make direct landfall on CDB's Borrowing Member Countries, a number of the territories (Dominica, Trinidad and Tobago, Belize, Guyana, St. Vincent and the Grenadines and St. Lucia) were impacted by the effects of torrential rainfall.

Significant damage and loss from flooding and landslides was recorded, including 15 fatalities reported in St. Vincent and the Grenadines and St. Lucia from extreme rainfall events in December. Preliminary estimates for St. Vincent and the Grenadines put the cost at USD108.4mn.

Financing support in the amount of USD2.57mn was approved for the Government of Haiti to meet its annual premium payment to the Caribbean Catastrophic Risk Insurance Facility (CCRIF) for the 2013 hurricane season.

In August, the Project Management Unit (PMU) of the USD24mn Community Disaster Risk Reduction Fund (CDRRF) became fully operational. The first regional call on the CDRRF for disaster risk reduction and climate change adaptation (CCA) proposals was launched on July 15, 2013. The CDRRF is expected to make grants ranging from USD400,000 to USD650,000 to support community disaster resilience efforts by reducing natural hazard and climate risks of vulnerable populations.

Technical assistance interventions focused on disaster risk management and future resilience-building, programmed as part of a suite of Rehabilitation and Reconstruction Loans undertaken post-Hurricane Tomas in 2010, are yielding insightful results.

Consistent with its Environment and Social Review Procedures (ESRP), the Bank screened all investment projects for potential environmental and social impacts to ensure that probable environmental and social risks were identified and addressed as part of project design and appraisal. Appropriate mitigation measures were also identified to assist BMCs to manage potential adverse impacts. Of the nine loans approved in 2013, seven were categorized as having potential limited adverse social or environmental impacts.

The Bank continues to engage and deepen its partnerships with bilateral and multilateral partners to leverage its own resources and to promote environmentally sustainable growth within its BMCs. In December, the BOD approved CDB entering into a Contribution Agreement with the European Union (EU) for an estimated USD17mn to implement components of the "African Caribbean Pacific (ACP)-EU Natural Hazard Disaster Risk Management (NDRM) in CARIFORUM Member Countries. The programme involves strengthening regional and national resilience through improvements in early warning systems, national risk profiling and community-based disaster risk reduction (through CDRRF). In addition, the resources will make key sectors (water and transportation) more resilient to natural hazards and better prepared for climate change and climate variability.

In 2012, CDB assumed the Chairmanship of the regional technical working group on mainstreaming Comprehensive Disaster Management (CDM) in the Finance and Economic Planning sector. The working group is a sub-committee of the CDM Governance Mechanism of the Caribbean Disaster Emergency Agency.

The Bank also gained accreditation to the United Nations Framework Convention on Climate Change (UNFCCC) and began the process of registering as a Regional Implementing Entity under the Adaptation Fund. In July 2012, CDB also partnered with the German Government, through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), to hold two workshops in Barbados to discuss key issues around the global climate change finance architecture and the United Nations' Green Climate Fund (GCF).

In December, the Board of Directors ratified CDB entering into a Technical Cooperation Agreement with the European Investment Bank (EIB) for an amount of EUR4.2mn for the provision by EIB of Technical Assistance (TA) to CDB. The TA, provided in two phases, facilitated identification of the potential operational policy improvements and training required in order for CDB to support climate resilience in its BMCs; capacity building of BMCs to effectively design and implement climate action interventions; and pre-feasibility studies to support development of projects for financing under the climate action line of credit.

CDB and the Government of Barbados co-hosted a side event under the theme "Fostering Private Sector Partnerships for Small Island Developing States (SIDS)", at the Inter-Regional Preparatory Meeting for the Third International Conference on Small Island Developing States (SIDS). The Bank also collaborated with the Caribbean Policy Development Centre to finance the participation of representatives from civil society organisations in five of its BMCs at the SIDS Meeting.

BUILDING RESILIENCE IN THE AGRICULTURAL SECTOR

A major challenge currently facing the agricultural sector in the Caribbean is how to reinvigorate and sustain growth in an increasingly competitive global environment. In addition, with climate impact modelling for the Caribbean predicting an increase in the frequency and severity of adverse weather events, such as droughts and floods, it is imperative that CDB BMCs place greater emphasis on the implementation of measures to improve agricultural water management.

To address those challenges, CDB holds the view that its BMCs must adopt a two-prong strategy. Firstly, BMCs should enhance the productivity of traditional exports crops where viable markets exist; and secondly, concerted efforts should be made by BMCs to gain a larger share of the market (domestic and export) for high value products (fruits, vegetables, meats, etc.) including the strengthening of agro-tourism linkages. To support BMCs in the implementation of that strategy, CDB's Board of Directors in May 2013, within the framework of the SDF 8, approved a special set-aside in support of the agricultural sector development initiatives.

The funds under the set-aside will complement other Bank resources, and assist in provision of regional public goods with a focus on agricultural research and development including measures to build BMCs climate resilience.

The Bank also approved interventions to assist Belize in improving its capacity in agricultural water management – Development of an Irrigation and Drainage Master Plan (IDMP), and to assist stakeholders in Dominica, Guyana, St. Lucia, and St. Vincent and the Grenadines to address an outbreak of Black Sigatoka Disease in bananas and plantain - Development of an Integrated Disease Management programme for BSD.

BUILDING RESILIENCE THROUGH PRIVATE SECTOR DEVELOPMENT

In 2013, CDB approved participation of an amount USD10mn in the Portland Caribbean Fund II (The Fund), a private equity fund whose targeted size is USD300mn. The Fund expects to participate in four to six investments in the Caribbean Basin, in sectors including telecommunications, financial services, energy (with a focus on renewable energy)

JAMAICA

Feeding the Nation

CDB has made it possible for farming in Pedro Plains, St. Elizabeth Parish (Beacon - Little Park and Hounslow), Seven Rivers and St. James to survive and thrive, by funding a new, expanded and upgraded irrigation system that supplies a more efficient, reliable flow of water to approximately 836 farms (of which 195 were female owned), covering 1,255 ha.

The Jamaica Irrigation Development Project (IDP) was developed with the objective of increasing the output of non-traditional agricultural products in Jamaica. The project was multi-faceted and included measures aimed at reducing the country's dependence on rain-fed production systems by constructing and rehabilitating irrigation systems, establishing linkages with the local tourism sector and facilitating export to markets in North America.

An important part of the project included farmer participation in the planning, implementation, operation and maintenance of these irrigation systems. Part of the support for famer involvement included the creation of Water Users Associations (WUAs) to provide a forum for collaboration between water suppliers and users, as a means of implementing policies related to cost recovery and transfer of irrigation management to users. The project supported the operation of a credit facility under which interested eligible farmers received one acre of drip irrigation systems. Eighty-nine farmers benefited, (21 female and 68 male), and they were trained in the operation and maintenance of irrigation systems and general principles of water management before receiving the systems.

Reports from the Ministry of Agriculture indicate that production of short-term crops in the targeted communities has increased considerably since the completion of the Project. Total agricultural output in St. Elizabeth (Beacon-Little Park and Hounslow) in 2011 was approximately 115,650 tonnes, an increase of 25% percent over the 2007 estimate of 91,777 tonnes.

BEACON – LITTLE PARK, ST. ELIZABETH

In the Beacon-Little Park area of St. Elizabeth Parish, the breadbasket of Jamaica, the fine red dust is never far. Beneath the rows of green melons, the expanse of fields, the backdrop of green mountains and tall trees, the red dust waits, biding its time, until the drought that comes year after year, when it dries up and blows away, taking over the air. The vast majority of people here live from farming. One farmer remarks, "Food from St. Elizabeth goes to every parish of Jamaica, and abroad. Without this parish, Jamaica's food imports would increase dramatically." **Carlos Williams**, Senior Works Superintendent at the National Irrigation Commission describes the expanded irrigation system, "It is a pressurized system that consists of three wells and a pipe network that transmits water to each farm. We're in direct contact with the farmers, and based on their crop needs, we supply them with water. Each farmer has a bulk flow meter that registers the amount of water used and they get billed on a monthly basis. There are about 300 farmers registered on the system; for both livestock and crop use."

Farmers are also able to use the irrigation lines as a distribution system for fertilisers and pesticides, instead of the less efficient, more expensive manual application. Before, medium-scale farmers like **Redford Blake**, tried mulching and paying weather trucks to deliver water, but this was labour-intensive and costly. "If it wasn't for the irrigation, I would be doing around 6, 7

JAMAICA IRRIGATION
DEVELOPMENT PROJECT
USD8.1mn

Food from St. Elizabeth goes to every parish of Jamaica, and abroad. Without this parish, Jamaica's food imports would increase dramatically.

acres of farming, to be honest." Since the upgraded irrigation system was put in place, he farms 25 acres of land and employs at least 40 people. "I have six children, some at University. And every cent spent on those children until today - I never used student loans - come through this here farming from the earth."

Another farmer **Paulina Taylor** puts it this way, "Some people maybe started out with a little one-room house and, because of farming, they can add a piece to the house, acquire a van, send their children to school." She sits and talks while her fingers, covered with red earth, steadily pull curvaceous peanut shells off their branching roots. She is grateful that the irrigation has helped keep their farm alive. "I grew up farming. I love farming. My parents were farmers; so I would come from school to the peanut ground. It's hard work, but somebody has to do it. Somebody has to feed the nation."

CDB*focus*

and infrastructure. CDB's resources will be confined to financing investments in its BMCs. The Fund's investments are expected to achieve development impact through job creation and employment sustainability, foreign exchange earnings, technology transfer, improved infrastructure and enhanced quality of life. It is also anticipated that such investments will contribute to improved competitiveness, efficiency and sustainability of investee companies, while gaining access to wider markets and expertise. Greater use of renewable energy is one area where transformation is anticipated, to diversify the region's energy sources while lessening the dependence on fossil fuels.

During 2013, credit was made available through lines of credit to ten financial intermediaries in eight BMCs amounting to USD28.7mn, of which 61% was from Ordinary Capital Resources (OCR). Such credit was used to support enterprise activities within the productive sectors, housing finance and student loans. A further USD1.8mn was made available from an EU-funded CDB-administered credit programme and related technical support to cane farmers for sugar cane replanting, as part of a programme to improve sugar yields and agronomic practices within the sugar industry of Belize.

The level of credit made available through financial intermediaries as part of the Bank's thrust to support human resource development through student loans, contributed to improved access to tertiary education beneficiaries included persons from poor and vulnerable households (7,719 females and 3,262 males), of which students from Jamaica accounted for 95% of the total beneficiaries. Some 71 beneficiaries of mortgage finance subloans, 46% of whom were female, accessed credit from four financial intermediaries, which facilitated improvement in the housing stock and home ownership for low to lower middle-income earners. Enterprise loans were provided to 156 beneficiaries, to support investments in Micro, Small And Medium-Sized Enterprises (MSMEs) across a range of sectors operated by individuals, partnerships and companies.

The Bank's support to the private sector continued to address restricted access to financial services for MSMEs, and the development of a sustainable microfinance industry. In order to support the development of the Micro and Small Enterprise sector, CDB facilitated interventions focused on improvement to the enabling environment through business climate reform. The Bank also provided support for institutions that deliver services to aid in the expension of these enabling environments. As part of CDB's efforts to support private sector development, the Bank is collaborating with other development partners to offer technical support aimed at improved competitiveness and capacity building at the level of institutions that deliver services to MSMEs thereby improving their viability and outreach.

With an increased focus on risk management by CDB, an intervention focused on the development of a credit risk management framework for six Development Finance Institutions (DFIs) within OECS member countries was launched. The output of this consultancy will be the establishment of an appropriate credit risk framework that enhances credit delivery, monitoring and management. The expected outcome from this intervention is improved credit underwriting, loans administration and risk management among participating DFIs.

In this regard, CDB, in partnership with the IDB and EU, continued to supervise the Caribbean Regional Capacity Building Programme (CARIB-CAP), a programme designed to assist microfinance institutions in the region improve their financial performance and outreach, sustainability and responsiveness to client needs through the provision of technical assistance for capacity-building. Phase 2 of CARIB-CAP, which is currently under implementation, will focus on enhanced capacity building to address constraints to microfinance development in areas of product development, corporate governance, financial performance, and financial education for clients of microfinance institution. CARIB-CAP II will also focus on the consolidation of the Caribbean Microfinance Alliance to strengthen its role in research, advocacy, policy dialogue and information sharing among its members. Approximately 15 microfinance institutions and 200 micro-entrepreneurs are expected to benefit directly from this phase of the initiative.

BUILDING RESILIENCE OF POOR COMMUNITIES

COUNTRY POVERTY ASSESSMENTS

The Bank's Country Poverty Assessment (CPA) Programme commenced in the mid-1990s in the face of harsh economic conditions in the region, to assist its Borrowing Member Countries (BMCs) in collecting and analysing poverty and social data, to improve evidence-based decision-making with respect to development initiatives, projects and programmes. In keeping with the institution's mandate to reduce poverty, the CPA Programme formed a major part of the Bank's efforts to target more of the benefits from its development interventions in BMCs to the poor. The CPA applies a multi-dimensional approach involving both quantitative and qualitative research methods and strategically incorporated new development orthodoxy to poverty analysis as a means of retaining its theoretical, methodological and analytical relevance to BMCs. At the turn of the 21st century, the CPA approach was modified to incorporate work by CDB in developing Caribbean-specific targets and indicators for the Millennium Development Goals (MDGs) and included enhancements in the methodology for assessing poverty and human development.

During the year, the Bank continued its support to Turks and Caicos Islands in conducting its CPA. This support which was provided in conjunction with technical assistance to conduct the country's Population and Housing Census included a number of training workshops to help build capacity in data processing and analysis. Support was also provided to Barbados in developing its first Growth and Development Strategy (GADS 2013-2020), and Social Policy Framework (SPF) to address the key issues highlighted in the findings of the Country Assessment of Living Conditions. The GADS 2013-2020 was developed using the macro growth and development model and was eclectic in its approach, recognising the imperatives of re-positioning the country to achieve the objectives of economic growth, poverty reduction, preservation of a strong social protection system and an enhanced human and social base. The SPF facilitates an integrated environment for improving collaboration, transparency, efficiency, effectiveness and accountability in the development and delivery of social policy. This strategic support is reflective of CDB's responsiveness to the dynamic development challenges of BMCs.

In the milieu of social change and development, influenced by economic recession and changing socio-economic circumstances of BMCs, further modifications are required to ensure the continued utility of CPAs as one of the approaches in assessing poverty and human development. In 2013, BMCs and CDB's development partners reached consensus about the need for multidimensional poverty measurement (MPM) which provides an increased understanding of the multiple deprivations and vulnerabilities facing various cohorts of the population. In addition, this approach also highlights disparities facing Caribbean societies, including understanding and mitigating the differential impacts that poverty reduction policies and programmes have on women, men and children. The data to be generated by the MPM-enhanced CPA will be of increased utility to BMCs in strengthening evidence-based social policy and overall decision making; intended to reduce poverty, vulnerability and deprivation and improve overall living conditions. In this regard, CDB is in the process of increasing the robustness of the CPA methodology and analytical framework by incorporating MPM. This will increase its focus on analysing and addressing the root causes of income and gender equalities and enhance CDB's ability to assist BMCs to create the environment for sustainable development in the post-2015 era.

BASIC NEEDS TRUST FUND

The Basic Needs Trust Fund (BNTF) has been CDB's principal programme for direct poverty reduction for more than 3 decades. It is designed to assist poor and vulnerable communities in 10 participating countries to improve their access to basic public services through the provision of social and economic infrastructure, the development of skills to enhance the potential for employability and increased economic activity, and capacity-building towards empowerment and community engagement. The BNTF participating countries are Belize, Dominica, Grenada, Guyana, Montserrat, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and the Turks and Caicos Islands.

Through the 6th cycle of the programme, USD28mn was approved by the end of 2013 to provide basic services falling in the broad categories of water and sanitation, education and community access and drainage. These sub-projects were carefully targeted to directly benefit approximately 18,000 persons. They were designed to support long-term and sustainable development, building the capacity of community groups to undertake a more active role in their own development (See Table 1).

Of the approved financing, almost 30% went to the education sector. One example of the programme's success in this sector is the VINSAVE preschool in Layou, St. Vincent and the Grenadines, which was reconstructed with a grant of over USD164,000 and officially opened in November 2013. Forty-one toddlers now have access to preschool education. Seventeen percent of approved financing went to enhancing water supply systems towards securing future water supply for the Caribbean's most vulnerable communities (see Table 2).

Following the approval of the BNTF 7th cycle for USD51.7 mn in the previous year, this cycle was officially launched in 8 of the 10 participating countries in 2013. These brought together a range of key stakeholders and community beneficiaries to collectively design and implement the programme more successfully.

During the year, a series of capacity-building initiatives were delivered through the programme. These served to develop needed institutional capacity to help reduce poverty and vulnerability among beneficiaries and to build the capacity of local institutions and beneficiary organisations.

Two regional training workshops on gender mainstreaming for community officers and project managers were held in March and October. This supported the enhancement of gender analytical capacity in the design and implementation of poverty focused sub-projects. Furthermore, BNTF continued to invest in early child development (ECD) in the region through a gender socialisation workshop for 67 ECD practitioners in St. Vincent and the Grenadines and a regional training programme for 44 public and private sector trainers and caregivers which was held in Dominica. Additionally, training in participatory community development methods was provided to 28 community officers from the 10 participating countries. This was designed to help ensure that the most vulnerable in communities are directly involved and take ownership of sub-projects and future community development: an important pillar of the BNTF programme.

TABLE 1: BNTF 6 SUB-PROJECT APPROVALS BY SECTOR AND BENEFICIARY (2013)

TYPES OF BNTF SUB-PROJECTS/SECTOR	NUMBER OF PERSONS WHO DIRECTLY BENEFITED
Access – Roads, Footpaths and Drains, Erosion Control	448
Early Childhood Development – Construction of Day Care Centres for Children, including Furniture	275
Education – Construction and Rehabilitation of Primary and Secondary School Facilities, including Furniture	5,979
Skills Training/Upgrading – Technical and Vocational Skills For Employability and Income-Generation (in Manufacturing, Agriculture, Tourism sectors)	354
Health – Construction and Rehabilitation of Clinics, District Hospitals, including Equipment	3,948
Vulnerable Groups – Construction and Expansion of Social Centres, Senior Citizens Homes, Outreach Programmes for the marginalized	6,739
Water and Sanitation – Piped Water, Water Storage, Supply and Distribution Lines, Water Treatment Facilities, Bathing and Laundry Facilities	116
TOTAL	17,859

MONTSERRAT

Making Flying-Fish

The Government of Montserrat wants Gar to become to Montserrat and the Northeast Caribbean what Flying-Fish has become to Barbados.

CDB was instrumental in supporting Monserrat's move towards sustainable food production through technical assistance provided by the Caribbean Technological Consultancy Services (CTCS). Between 2010 and 2012, CTCS provided training to beneficiaries in "gar processing and long line fishing projects". Additionally, the Basic Needs Trust Fund (BNTF), sponsored two projects – the Construction of Caribbean fish trap Training Workshop Phases one and two, with a total of 18 participants.

The project included data collection on the industry, so that performance could be accurately measured, and bolstering the industry by expanding the number of persons 'coming on board' to become fishers. Both of thses steps are key to the survivability and sustainability of Monserrat's Fishing Industry.

A Fisheries official pointed out that a recent survey showed that many of the residents on the island enjoyed the fish called Gar, and would eat it more often if not for the many bones. The fish processing workshop was part of the effort to make the fish more readily consumable and available in retail stores.

Statistical Analysis collected and recorded for 2013 has shown that about 87,170.9 pounds of fish landed on Monserrat last year; the highest it has been in the past five years. Chief Fisheries Officer **Alwyn Ponteen** refers to the Sustainable Development Plan for Monserrat (2008 -2020), which speaks to increased fish production by providing incentives to fishers, indicating that this increased production says in line with the country's strategic goal of increasing food production. Mr. Ponteen is the increase in fish production not only to the financial support of the government of Montserrat, but also to the support and training offered by Caribbean Development Bank.

The Minister of Agriculture, Lands, Housing and the Environment **Easton Taylor-Farrell** noted that CDB supported workshops came at an opportune time for Montserrat, as the Government continued its push to improve food security and sustainability.

IMAGE SOURCE: MASTERXELA.WORDPRESS.COM

"Gar has been overlooked in the Northern Leeward Islands for 75 years," Ponteen told the gathering. "It has been discarded in much the same way that the Flying-Fish was in Barbados. We can use the Gar which for some is seen as animal feed and bait, and make it a commercial brand for the islands."

CDB*focus*

Monitoring and evaluation arrangements in the programme were strengthened during the year through the design of a results-focused sub-project monitoring system within the 10 BNTF participating countries.

TOWARDS IMPROVED MACROECONOMIC MANAGEMENT

CDB continued to work towards developing solutions to critical development challenges affecting the region through engagement with development partners. CDB continued to collaborate with other stakeholders in addressing the need for strengthening financial stability in the Eastern Caribbean Currency Union. Since 2011, a joint technical team comprised of representatives from CDB, the International Monetary Fund (IMF) and World Bank (WB), has been working along with the Eastern Caribbean Central Bank (ECCB) to assess the condition of troubled banks in the region, and the size and nature of the restructuring challenge facing the region. The diagnostic assessments that were undertaken in 2012 identified some key issues, and in 2013, dialogue continued around the most effective way of resolving these issues, together with the role of the International Financial Institutions (IFIs) in the resolution process. Technical assistance was provided by IFIs in relation to some of the operational aspects of the resolution strategy and strengthening the regulatory framework of the ECCB.

In the context of the escalation and high price volatility of fossil fuel imports into the region and the knock-on effects on regional economies, the issue of energy security has emerged as a critical development challenge. Accordingly, the Bank commissioned a consultancy to examine the opportunities for renewable energy development in the region. The findings will provide an overview of recent developments in renewable energy in the Caribbean; explore the policy, regulatory and institutional issues that need to be resolved to facilitate alternative energy development; and review some of the financing options for stimulating renewable energy growth. This study will also feed into the work of the recently-established Renewable Energy and Energy Efficiency Unit, which will seek to provide financial and technical assistance to its Borrowing Member Countries in pursuit of reduced dependence on fossil fuel imports.

TABLE 2: BNTF 6 SECTOR ALLOCATION IN 2013

BNTF 6 SECTOR	TOTAL ALLOCATION 2013 ($,000)	% OF ALLOCATION
Community Access and Drainage (roads, footpaths, drains, erosion control)	2,473.38	9
Education	8,127.53	29
Health	2,261.16	8
Local Institutional Strengthening	1,465.75	5
Community Markets	1,455.93	5
Skills Training	1,528.67	6
Vulnerable Groups (Senior Citizens Homes, Outreach Programmes)	1,865.14	7
Water Supply Systems	4,704.78	17
Technical Services to support the country projects	2,253.03	8
Regional Coordination (Monitoring and Evaluation and capacity building)	1,533.08	6
TOTAL	27,668.44	100

The Bank, in collaboration with key development partners, including the World Bank, InterAmerican Development Bank (IDB), the Department of Foreign Afairs Trade and Development (DFATD) and the United Kingdom's Department for International Development, forged ahead with the launch of national chapters of the Caribbean Growth Forum (CGF). These included launches in St. Lucia, St. Vincent and the Grenadines, St. Kitts and Nevis and Belize among others. A regional CGF workshop was also held in the Bahamas from 24-25 June. The objective of the exercise was twofold. First it was to allow eleven national CGF chapters to present their draft reform action plans in the three CGF themes - Skills and Productivity, Logistics and Connectivity and the Investment Climate - and in so doing, discern areas where regional approaches may best fit possible solutions. Secondly, the event provided a forum for multilateral and bilateral development partners to dialogue with national policy makers, the private sector and the youth about approaches to surmounting the growth challenges in relation to the CGF pillars. The outputs and intermediate outcomes of the event include a resolution to move ahead with draft reforms that have been identified.

CDB, IDB, the Multilateral Investment Fund (MIF) and the World Bank Group (WBG) organised a forum in Barbados on November 19-21, 2013 to bring together governments and multilateral institutions to share knowledge on using PPPs to develop sustainable, productive and inclusive infrastructure and basic services in the Caribbean. CDB also commissioned a study on the early experiences of PPPs in the Caribbean and to point the way with respect to the critical first steps necessary in leveraging this project finance modality to drive the growth process in the Caribbean region.

FINANCING OPERATIONS

In 2013, CDB approved 10 loans amounting to USD139.0mn, and grants and equity totalling USD28.4mn.

LOANS

Lending to the public sector accounted for all of the loans, with the Ordinary Capital Resources (OCR) accounting for USD109.0mn and the Special Funds Resources (SFR) for USD30.0mn. Of the total of 10 loans approved during the

TABLE 3: APPROVALS AND DISBURSEMENTS ON LOANS, GRANTS AND EQUITY 2013 AND 2012 ($'000)

	Approvals			Disbursements	
Activity/Source of Funds	2013	2012		2013	2012
A. Loans					
Ordinary Operations	109,013	39,606		84,318	49,481
OCR	109,013	39,606		84,318	49,481
SFR	29,975	64,040		62,670	35,003
SDF	29,975	64,040		62,581	32,823
OSF	-	-		89	2,180
Total	138,988	103,646		146,988	84,484
B. Grants and equity	28,441	60,031		44,713	31,855
Total Financing	167,429	163,677		191,701	116,339

B N T F

MULTIPLE COUNTRIES

Basic Needs Trust Fund Programme

Most of the region's poor live in rural communities with more than half of the population living in disparate, scattered and, in some cases, almost inaccessible villages.

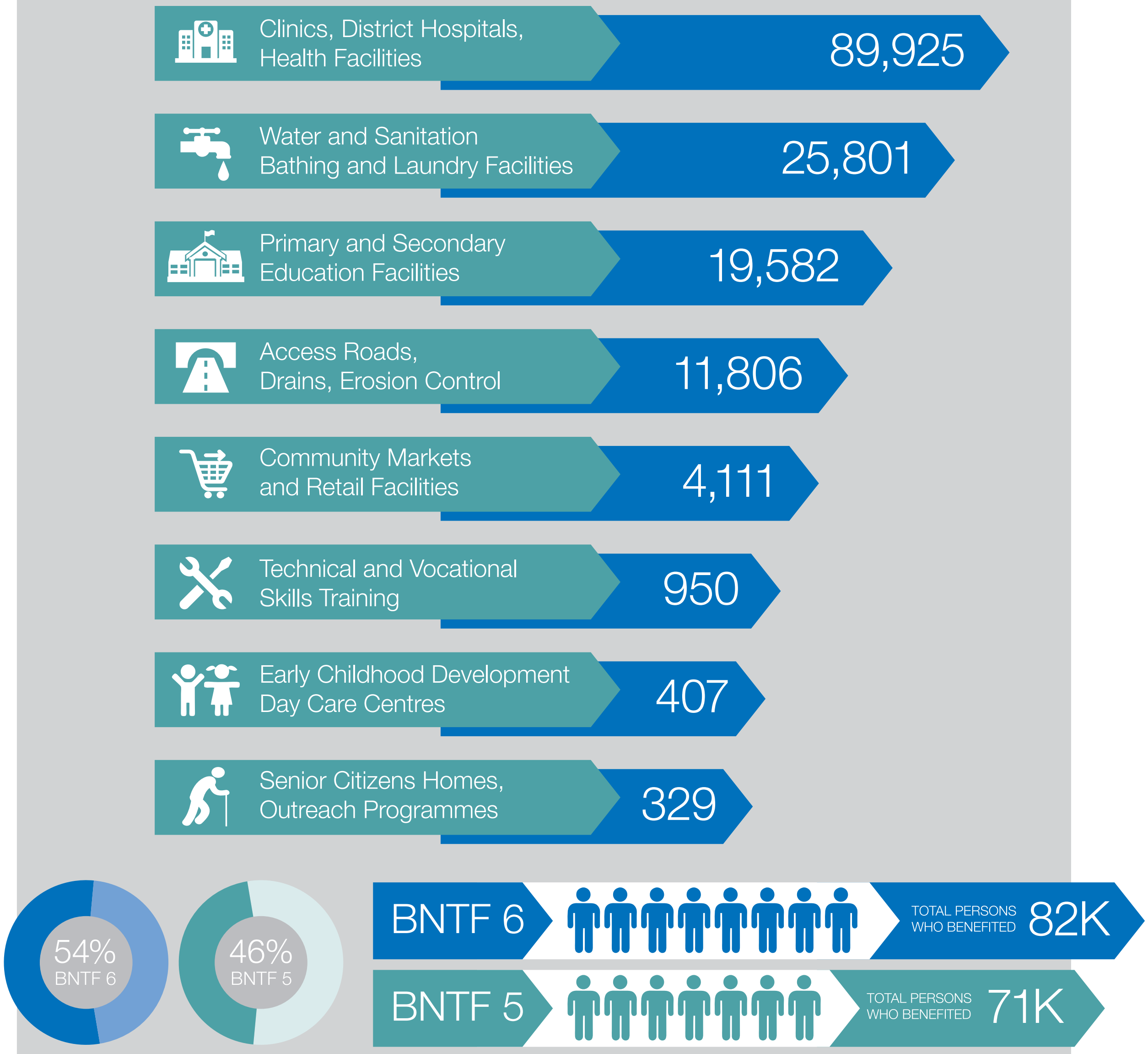
Many rural communities lack access to quality roads and reliable supplies of potable water. CDB's Basic Needs Trust Fund (BNTF) programme focuses on reducing poverty through the provision of infrastructure and livelihood enhancement services in targeted communities in 10 Borrowing Member Countries: Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and the Turks and Caicos Islands. Over 160,000 persons directly benefitted from BNTF 5 and 6 combined. The programme is now in its Seventh Cycle.

The (BNTF) programme directly contributes to CDB's objective of broad-based economic growth and inclusive social development. BNTF's projects provide a useful catalyst for community and rural development; providing essential services towards sustainable asset building and short- and long-term employment opportunities.

The sub-project interventions in the Participating Countries (PCs) have provided access to skills training and to enhanced social infrastructure, such as community resource centres, educational, health, daycare and other facilities; and upgraded the quality of services provided by water, sanitation and drainage systems, roads, bridges and footpaths, previously unavailable or inaccessible in low-income, vulnerable communities.

The Programme also supports a socially inclusive development process, including empowerment of the poor and vulnerable, as well as institutional development support. The Programme is able to respond through participatory methods that can effectively engage poor communities to assess their assets and determine their priority needs for grant funding. Active engagement with the community is a priority for the Programme.

BNTF 5 and 6 Beneficiaries in Economic and Social Infrastructure, Water and Sanitation, Education and Training Groupings



year, five were entirely funded from the OCR, while the remaining five were a blend of OCR and SFR funding and SFR funding only. Of the total approvals, loans to LDCs amounted to USD73.4mn, comprising USD66.3 mn from OCR and USD7.1mn from SFR.

The largest two borrowers were Barbados (29%) and Antigua and Barbuda (25%). Other significant borrowers were Guyana (18%) and Regional Programmes (9%).

GRANTS AND EQUITY

Grant and equity approvals amounted to USD28.4mn, with 98% going to the LDCs. The two major beneficiaries were Haiti (USD13.6mn) and Regional Programmes (USD12.6mn).

LOAN EFFECTIVENESS

The portfolio of capital projects and policy-based loans under implementation continued to be rated Satisfactory (98%) indicating that the projects are likely to meet all or most of their development outcomes, albeit deferred in some cases. The Bank continued to provide the necessary resources to facilitate efficient project delivery. The median time taken from loan approval to effectiveness, that is, meeting conditions precedent to first disbursement, was estimated at 10.3 months, which is within the 12 month target by 2016. The Bank is expected to continue its efforts to improve the performance of projects in the portfolio through training in current practices in the development landscape, improvements in supervision practices and processes, and additional institutional support to executing agencies.

CUMULATIVE APPROVALS

Net cumulative approvals of loans, equity investments and grants at December 31, 2013, amounted to USD4,206.4mn. Of this amount, USD2,474.2mn (58.8%) went to the LDCs, and USD1,732.2mn (41.2%) to the MDCs, compared with USD4,042.1mn at the end of 2012, of which USD2,375.8mn (58.8%) went to the LDCs.

CUMULATIVE DISBURSEMENTS

Cumulative disbursements, including grants, increased by 5.7% in 2013 to USD3,558.2mn, from USD3,366.3mn in 2012.

A comparative analysis of cumulative disbursements at the end of 2013 shows that CDB's Ordinary Operations accounted for 55% of total disbursements; the same compared with 2012. At the end of 2013, total disbursements to MDCs increased to USD1,497.4mn from USD1,419.5mn in 2012 or by 5.5%. Cumulative disbursements to the LDCs amounted to USD2,060.6mn, increasing by 5.4% from a level of USD1,946.8mn in 2012. At December 31, 2013, the LDCs' share of cumulative disbursements was 58%, unchanged from 2012.

With respect to access to the Bank's two sources of funding, the MDCs accounted for 51% and the LDCs 49% of disbursements from Ordinary Operations, whereas the LDCs received 69% of disbursements under Special Operations and the MDCs 31%.

CUMULATIVE LOAN REPAYMENTS

At December 31, 2013, principal repayments on loans since the inception of the Bank amounted to USD1,553.7mn (2012 - USD1,447.7mn). OCR principal repayments during the year amounted to USD90.6mn, while total repayments since inception were USD991.4mn, after taking into account the effects of currency translation. Total SFR principal repayments, after currency translation adjustments, were USD562.3mn in 2013 (2012 - USD535.1mn).

RESOURCE TRANSFERS

CDB's disbursements in loans and grants in 2013 were USD191.7mn which reflected an increase of USD75.4mn, or 65%, over the disbursed amount of USD116.3mn in 2012. This increase caused a change in the resource transfers from a negative USD42.6mn in 2012 to a positive USD23.8mn in 2013.

LONG-TERM BORROWING

The Bank successfully placed an issue of USD300mn in 15-year bonds in the international capital markets in November 2012. It was anticipated that this issue would be sufficient to ensure that the Bank's liquidity needs are met for the next two years. As a result, it was not necessary to approach the market in 2013.

GUYANA

Gender Equality in a Sustainable Caribbean

In rural areas such as Goshen, on the Essequibo River, families fight to make ends meet. BNTF offered training in Timber Harvesting and Wood Utilisation to seventy people in three regions across Guyana.

More than 40% of the trainees were women. They learned GPS mapping, sustainable felling, forest surveys and inventory, through hands-on work in the field.

At first, **Juliana Douglas** was apprehensive about going to the Forestry Training Centre at Marwia. "It was "in the bush" we would call it, which is the interior, but I had to make myself comfortable because I knew that I had set out to do something that would benefit me in the long run." With her training certificate, Juliana was able to enter university to study surveying. She now has a job with the Lands & Surveys Commission. Fellow trainee **Jillian Jeffrey** adds, "In this community…jobs are limited. The training gives you exposure, it gives you self-confidence and it gives you the know-how to do your own business." She now operates her own poultry farm in the area.

In the distant village of Hururu, by the Berbice River, the training has also had a strong impact on the community. **Renetha Ignatius** elaborates, "I got into logging because I was trained. My family's involved in logging also. The majority of the residents on the Hururu Reservation are involved in logging." Renetha is now a forest ranger, ensuring sustainable use of this key resource. "Some loggers weren't aware of directional felling. They just used to come and cut down and damage other trees. And because of the training, now they are able to better understand how to fell." Women who benefitted from the CDB funded training can better partner with men in the industry, to earn income for their families and communities.

CDB*focus*

Part Three

OUR RESILIENT CARIBBEAN ORGANISATION

DEVELOPING ORGANISATIONAL EFFECTIVENESS AND EFFICIENCY

In 2012, as part of its strategic focus, the Bank undertook to improve its responsiveness, development effectiveness and accountability and published its first annual comprehensive report on its performance relative to the targets and indicators set out in the Strategic Plan 2010 – 2014. This report entitled "The Development Effectiveness Review 2011" was followed in 2013 by "The Annual Development Effectiveness Review 2012".

The reviews made use of the Bank's corporate Results-Based Management Framework (RBM) to measure the progress made by BMCs towards attaining some key Millennium Development Goal targets, as well as to assess CDB's performance in delivering key sector outputs and outcomes, and its contribution to country and regional outcomes. The reviews also measured improvements to CDB's operational and organisational effectiveness and to promoting partnerships, harmonisation and alignment.

The assessments reflect progress against baselines and targets established in the RBM and now form an essential part of the Bank's performance management toolkit and its decision-making process. They are designed to facilitate dialogue between management and the Board of Directors (BOD) about performance and to identify the need for strategic adjustments to the Bank's operations.

In line with the findings of the 2011 and 2012 Development Effectiveness Reviews, CDB's reforms and adjustment efforts have been targeted at improving the outcome focus of the RMF, strengthening the supervision of projects and the delivery of project supervision and completion reports, increasing the development and use of the results frameworks in CSPs, and accelerating programme and project evaluation. The Bank has also been addressing the human resource and skills gap in order to achieve better alignment with core operational areas, increase its capacity to implement its strategic goals and improve communication about results to its stakeholders.

MANAGING FOR DEVELOPMENT RESULTS

In 2012, as part of the negotiations for SDF 8, an independent review of the Bank's MfDR agenda was undertaken. Using the Multilateral Organisation Performance Assessment Network (MOPAN) methodology, the Bank's progress was compared with that of other MDBs, under four criteria – Strategic Management, Operational Management, Relationship Management and Knowledge Management. The review identified that improvement was required in a number of these areas and an action plan aimed at addressing these deficiencies was developed.

In 2013, the implementation of the MfDR action plan commenced with consultants being engaged to conduct Bank-wide MfDR training of all professional staff during August and December. The Bank's results capacity was also strengthened with the assumption of a Results Advisor, seconded by DfID, in October. This resource is expected to assist in the streamlining of the collection, analysis and report of results information both within the Bank and in the BMCs, defining results indicators more precisely and putting in place electronic solutions for the storage and dissemination of results.

ORGANISING FOR EFFICIENT OPERATIONS

The Bank has set an aggressive internal reform agenda which targets its strategic objective of "Enhancing organisational efficiency and effectiveness". These reforms are also linked to the corporate priority of "Strengthening human resource capability and improved management practices". A critical part of this agenda includes the leveraging of appropriate information and communication technologies at the enterprise level.

One key communications technology reform that was spearheaded in 2013 and which will have a significant impact on transforming the way the Bank works is Unified Communication (UC). This technology provides an integrated approach to managing multimodal collaboration while also accelerating business processes. At the moment, the number of communications methods used across the Bank includes voice, video, e-mail and Web conferencing. Integrating these methods and simplifying the end user experience will promote the best use of this expanding collaboration toolset. The Bank's pursuance of UC will therefore drive improved collaboration, productivity and operational flexibility.

The Bank also made a decision to put greater emphasis on the resumption of its Data Warehouse Business Intelligence (BI) project as an ongoing key initiative. The BI platform which the Bank uses currently facilitates the production of reports for the Finance Department. The Information and Technology Solutions Department (ITSD) worked with key stakeholders in order to identify the types of data and information that will enable the Bank to be more responsive by having access to the right information at the right time; enhancing the decision-making processes of the organisation. The intention is to cascade Data Warehouse, which is intended to be the repository for business analytics type reporting, across all departments in order that the Bank can generate the greatest value from this investment.

Over the course of 2013, the Human Resources and Administration Department (HRAD) made significant progress towards building a resilient organisation in order to better serve our stakeholders by focusing on strategic workforce planning, talent attraction and management, and in leadership development for sustainable resourcing of critical roles. The most significant achievements of the year were the recruitment of staff to resource the Bank's operational strategy, especially in the key areas of risk management, finance, economics, gender and legal affairs the launch of the Bank's Emerging Leaders programme and the implementation of a redesigned onboarding programme to support new hires in their orientation and induction activities.

Following the aggressive recruitment programme, nineteen (19) new employees joined the Bank in 2013 of which seventeen (17) were professional staff. The sourcing of talent reflected a mix of external recruitment as well as internal promotions with an internal promotion rate of 7% to resource the professional staff category. The recruitment process was re-designed to incorporate the Bank's competency framework and assessment centres, where appropriate, to ensure a rigorous evaluation of candidates and to improve the likelihood of a successful fit.

A new onboarding programme was launched in 2013 to ensure a structured and supportive mechanism for introducing new staff to their roles and to the Bank. The first phase of the programme covered the areas of organisational culture, coaching tools and emotional intelligence. The reporting officers participated with their new staff in the programme. Leadership development was a key pillar of the HRAD capacity-building strategy in 2013. This was to directly support the de-risking of critical positions and to build a strong bench for the Bank's leadership pipeline. Fifteen (15) emerging leaders were identified for development and they form the first cohort of the long-term programme. The employees completed the foundation programme of Managing for Execution with Cornell University, and one emerging leader further participated in the International Financial Institutions' Emerging Leader programme hosted by the OECD. Staff development was also focused on key strategic areas of private-public partnership, project management and procurement.

STRATEGIC FOCUS

Preparations for the development of a new Strategic Plan to cover the period 2015 – 2019 commenced in 2013. Consultations on the strategic direction for the Bank were held with CDB's Governors and management staff in May/June 2013. These consultations identified a number of issues to be considered for the next planning cycle including sharpening of focus and differentiation, borrower concentration, improving relevance, responsiveness and operating performance, meeting the requirements of contemporary risk management rules, and developing future competitive advantage. The Bank will continue to pursue opportunities for expanding its borrowing membership and increasing assistance to the private sector, as part of the strategy for diversifying its portfolio and reducing borrower concentration.

Macro-economic stability undergirded by sound fiscal policy, transparent and enforceable fiscal rules, and a monetary policy which is consistent with low inflation and a competitive exchange rate.

A prudent public investment strategy targeting projects which provide an acceptable economic and social rate of return. This strategy should be aligned with the goal of providing infrastructure which lowers the transaction cost of doing business, produces an appropriately skilled labour force, and optimises the use of domestic savings.

An effective public debt management strategy and capacity to support an appropriate public investment strategy should be developed. The emphasis here is on appropriately balancing the mix and tenor of local and foreign borrowings whilst maintaining a keen eye on the critical drivers of favourable debt dynamics and prudent debt limits.

Highly-indebted Caribbean Small Island Developing States, whose debt has reached unsustainable levels, must commit to and set out on the reform path outlined above, while vigorously and persistently making the case for access to Donor-assisted debt relief. The evidence from other parts of the world is indisputable that, without this, and in spite of herculean efforts, they will face extreme difficulty reversing the high debt/low growth spiral. The credibility of this case can only be built around the now widely accepted fact of the Caribbean's peculiarly vulnerable circumstances and evidence of a demonstrated willingness to fully embrace appropriate fiscal and structural reforms.

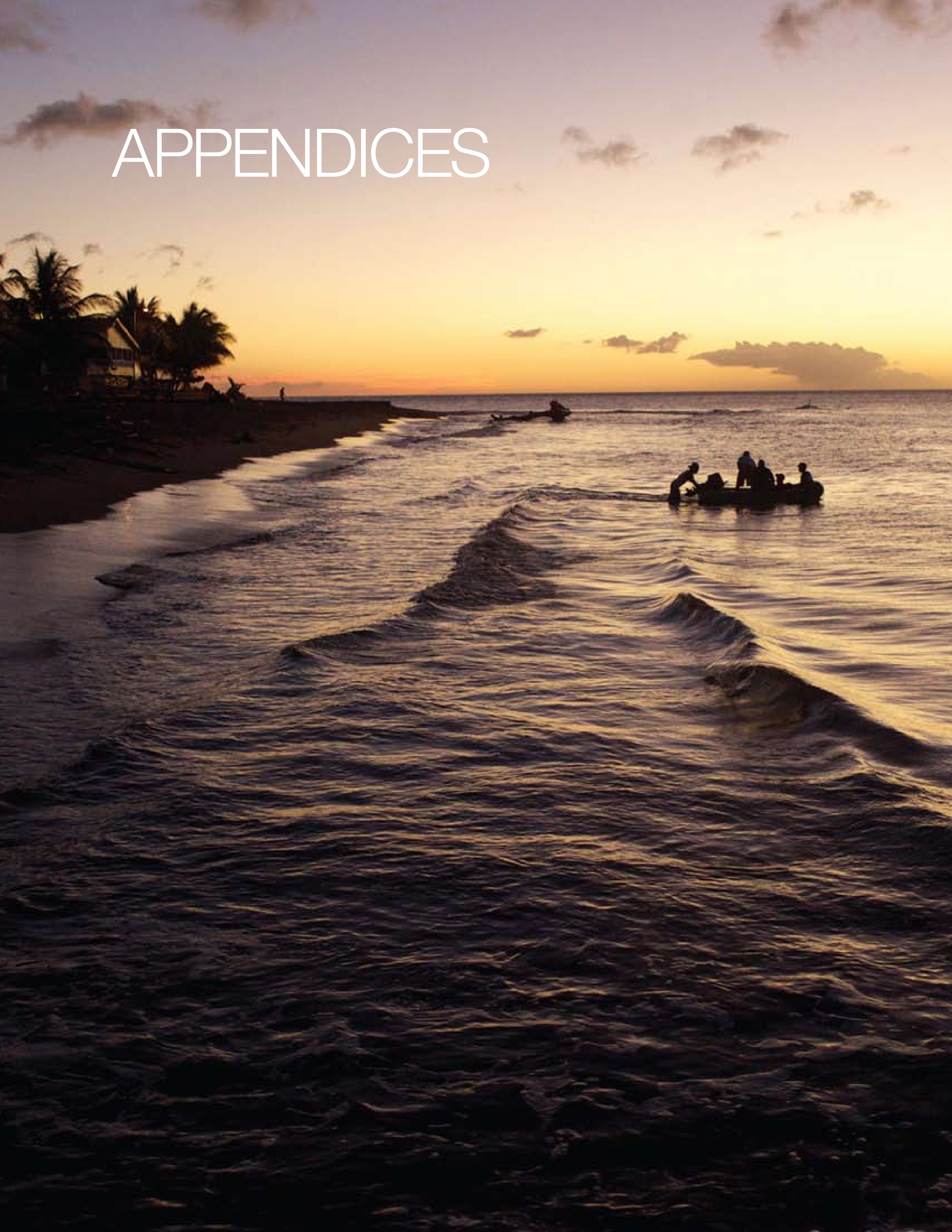
The Caribbean must take lessons from the evidence that a common factor among fast-growing economies is **greater openness and integration into the global** economy. Autarchic policies will militate against rapid economic growth. Greater global integration will necessitate a judicious and progressive removal of barriers to trade, whilst encouraging investment and creating the conditions for increased productivity.

The Caribbean must confront its vulnerability in all of its forms. A solid macro-economic position with adequate fiscal reserves and low debt can be a strong bulwark against the vulnerability to external economic shocks and to natural hazards. But this strategy needs to be complemented by investments in appropriate disaster risk management and climate adaptation to protect the productive economic infrastructure already in place and to be able to realise the expected return on such investments. These investments build resilience and also help to spur economic growth and create employment.

Governments must strive for better accountability to build trust and commitment to their policies and strategies. Governments must develop the institutional and policy infrastructure necessary to support good governance practices; and the general public and the private sector, need to be adequately equipped to hold their governments accountable.

Growth must be inclusive and the benefits widely shared. Appropriate mechanisms must be in place to protect as well as empower the most vulnerable groups. And policymakers must commit to pursuing credible policies and to engaging stakeholders early, in the dialogue to solicit their support.

APPENDICES



APPENDIX I-A

DISTRIBUTION OF LOANS, SECONDARY MORTGAGE, EQUITY AND GRANTS APPROVED (NET) BY COUNTRY AND BY FUND - 2013 ($'000)

Country	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total	Percentage of Total
Antigua and Barbuda	35,283	324	-	35,607	22.8%
Anguilla	3,215	75	50	3,340	2.1%
Barbados	39,859	63	-	39,922	25.6%
Bahamas	-	1,022	-	1,022	0.7%
Belize	11,231	224	-	11,455	7.3%
Dominica	1,775	130	-	1,905	1.2%
Grenada	-	(89)	(4)	(93)	-0.1%
Guyana	2,900	22,113	-	25,013	16.0%
Haiti	-	13,706	-	13,706	8.8%
Jamaica	(254)	118	-	(136)	-0.1%
St. Kitts and Nevis	-	42	-	42	0.0%
Cayman Islands	-	35	-	35	0.0%
St. Lucia	-	312	-	312	0.2%
Montserrat	-	51	-	51	0.0%
Turks and Caicos Islands	-	85	-	85	0.1%
Trinidad and Tobago	-	50	-	50	0.0%
St. Vincent and the Grenadines	2,136	(1,719)	-	417	0.3%
British Virgin Islands	-	50	-	50	0.0%
Regional	4,426	8,724	10,063	23,213	14.9%
Total	**100,571**	**45,316**	**10,109**	**155,996**	
Percentage of Total	**64.5**	**29.0**	**6.5**		**100.0**
LDCs	**53,640**	**13,226**	**46**	**66,912**	**42.9%**
MDCs	**42,505**	**23,366**	**0**	**65,871**	**42.2%**
Regional	**4,426**	**8,724**	**10,063**	**23,213**	**14.9%**

APPENDIX I-B

DISTRIBUTION OF LOANS, SECONDARY MORTGAGE, EQUITY AND GRANTS APPROVED (NET) BY SECTOR AND BY FUND - 2013 ($'000)

Sector	Ordinary Capital Resources	Special Development Fund		Total
Total All Sectors	**100,571**	**45,316**	**10,109**	**155,996**
Agriculture and Rural Development	**-**	**788**	**-**	**788**
Agriculture (excluding Crop Farming)	-	163	-	163
Feeder Roads and Bridges	-	625	-	625
Manufacturing and Industry	**(2,199)**	**1,058**	**-**	**(1,141)**
Industrial Development	(2,199)	-	-	(2,199)
Micro and Small Scale Enterprises	-	1,058	-	1,058
Transportation and Communication	**62,088**	**303**	**-**	**62,391**
Transport Policy and Administrative Management	(14)	(24)	-	(38)
Road Transport	(2,898)	327	-	(2,571)
Air Transport	65,000	-	-	65,000
Power, Energy, Water and Sanitation	**15,221**	**(646)**	**-**	**14,575**
Power and Energy	-	149	-	149
Electric Power	11,231	-	-	11,231
Water and Sanitation	3,990	(795)	-	3,195
Social Infrastructure and Services	**22,561**	**16,941**	**46**	**39,548**
Education - General	22,969	6,423	-	29,392
Education - Basic	(408)	9,413	50	9,055
Education - Post Secondary	-	160	-	160
Housing	-	-	(4)	(4)
Other Social Infrastructure and Services	-	945	-	945
Environmental Sustainability and Disaster Risk Reduction	**2,900**	**26,417**	**63**	**29,380**
Environmental Sustainability	-	278	63	341
Sea Defence/Flood Prevention/Control	2,900	22,120	-	25,020
Disaster Prevention and Preparedness	-	2,519	-	2,519
Reconstruction Relief and Rehabilitation	-	1,500	-	1,500
Financial, Business and Other Services	**-**	**23**	**-**	**23**
Financial Policy and Administrative Management	-	23	-	23
Multi-Sector and Other	**-**	**432**	**10,000**	**10,432**
Government and Civil Society	-	(60)	-	(60)
Other	-	492	10,000	10,492

APPENDIX I-C
DISTRIBUTION OF LOANS, SECONDARY MORTGAGE, EQUITY AND GRANTS APPROVED (NET) BY COUNTRY AND BY SECTOR - ($'000)

Country	Agriculture and Rural Development	Manufacturing and Industry	Transportation and Communication	Power, Energy, Water and Sanitation	Social Infrastructure and Services	Environmental Sustainability and Disaster Risk Reduction	Financial, Business and Other Services	Multi-Sector and Other	Total
Antigua and Barbuda	-	23	21,900	-	13,497	150	-	37	**35,607**
Anguilla	-	35	-	-	3,305	-	-	-	**3,340**
Barbados	-	63	35,244	4,615	-	-	-	-	**39,922**
Bahamas	-	52	-	-	200	770	-	-	**1,022**
Belize	200	24	-	11,231	-	-	-	-	**11,455**
Dominica	-	58	2,400	(1,420)	97	770	-	-	**1,905**
Grenada	-	23	-	-	(4)	-	-	(112)	**(93)**
Guyana	-	13	-	-	-	25,000	-	-	**25,013**
Haiti	-	136	-	-	11,000	2,570	-	-	**13,706**
Jamaica	-	18	-	-	(126)	(51)	23	-	**(136)**
St. Kitts and Nevis	-	43	-	-	-	-	-	(1)	**42**
Cayman Islands	-	35	-	-	-	-	-	-	**35**
St. Lucia	-	76	150	-	86	-	-	-	**312**
Montserrat	-	51	-	-	-	-	-	-	**51**
Turks and Caicos Islands	-	85	-	-	-	-	-	-	**85**
Trinidad and Tobago	-	50	-	-	-	-	-	-	**50**
St. Vincent and the Grenadines	-	22	2,544	-	(2,149)	-	-	-	**417**
British Virgin Islands	-	50	-	-	-	-	-	-	**50**
Regional	588	(1,998)	153	149	13,642	171	-	10,508	**23,213**
Total	**788**	**(1,141)**	**62,391**	**14,575**	**39,548**	**29,380**	**23**	**10,432**	**155,996**

APPENDIX I-D
DISTRIBUTION OF LOANS APPROVED (NET) BY COUNTRY AND BY FUND - 2013 ($'000)

Country	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total	Percentage of Total
Antigua and Barbuda	35,283	-	-	35,283	27.6%
Anguilla	3,215	-	-	3,215	2.5%
Barbados	39,859	-	-	39,859	31.2%
Bahamas	-	750	-	750	0.6%
Belize	11,231	-	-	11,231	8.8%
Dominica	1,775	(45)	-	1,730	1.4%
Guyana	2,900	22,100	-	25,000	19.5%
Jamaica	(254)	(72)	-	(326)	-0.3%
St. Vincent and the Grenadines	2,136	(1,741)	-	395	0.3%
Regional	4,426	6,375	-	10,801	8.4%
Total	**100,571**	**27,367**	**-**	**127,938**	
Percentage of Total	**78.6**	**21.4**	**0.0**		**100.0**
LDCs	**53,640**	**-1,786**	**0**	**51,854**	**40.5%**
MDCs	**42,505**	**22,778**	**0**	**65,283**	**51.0%**
Regional	**4,426**	**6,375**	**0**	**10,801**	**8.4%**

APPENDIX I-E
DISTRIBUTION OF LOANS APPROVED (NET) BY SECTOR AND BY FUND - 2013 ($'000)

Sector	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total
Total All Sectors	**100,571**	**27,367**	**-**	**127,938**
Manufacturing and Industry	**(2,199)**	**-**	**-**	**(2,199)**
Industrial Development	**(2,199)**	-	-	**(2,199)**
Transportation and Communication	**62,088**	**-**	**-**	**62,088**
Transport Policy and Administrative Management	(14)	-	-	(14)
Road Transport	(2,898)	-	-	(2,898)
Air Transport	65,000	-	-	65,000
Power, Energy, Water and Sanitation	**15,221**	**(795)**	**-**	**14,426**
Electric Power	11,231	-	-	11,231
Water and Sanitation	3,990	(795)	-	3,195
Social Infrastructure and Services	**22,561**	**4,562**	**-**	**27,123**
Education - General	22,969	6,303	-	29,272
Education - Basic	(408)	(1,741)	-	(2,149)
Environmental Sustainability and Disaster Risk Reduction	**2,900**	**23,600**	**-**	**26,500**
Sea Defence/Flood Prevention/Control	2,900	22,100	-	25,000
Reconstruction Relief and Rehabilitation	-	1,500	-	1,500

APPENDIX I-F

GROSS LOAN APPROVALS BY COUNTRY- 2013 ($'000)

Country	No. of Loan Projects	CDB	Public	Private	Unknown
Antigua and Barbuda	2	35,283	35,283	-	-
Anguilla	1	3,215	3,215	-	-
Barbados	3	39,859	39,859	-	-
Bahamas	1	750	750	-	-
Belize	1	11,231	11,231	-	-
Dominica	2	3,150	3,150	-	-
Guyana	1	25,000	25,000	-	-
St. Vincent and the Grenadines	1	7,500	7,500	-	-
Regional	1	13,000	13,000	-	-
Total	**13**	**138,988**	**138,988**	**-**	**-**
LDCs	**5**	**60,379**	**60,379**	**-**	**-**
MDCs	**5**	**65,609**	**65,609**	**-**	**-**
Regional	**1**	**13,000**	**13,000**	**-**	**-**

APPENDIX I-G
GROSS LOANS APPROVALS BY PROJECT AND LOAN EQUIVALENT - 2013 ($'000)

			OCR		SDF		Other Special Funds		
	Project Name	Country	Amount	Loan Equivalent	Amount	Loan Equivalent	Amount	Loan Equivalent	Total
1	BASIC EDUCATION PROJECT II	Antigua and Barbuda	13,383	1.00	-	-	-	-	13,383
2	FLEET MODERNISATION PROJECT - LIAT (1974) LIMITED	Antigua and Barbuda	21,900	1.00	-	-	-	-	21,900
3	COMMUNITY COLLEGE DEVELOPMENT PROJECT	Anguilla	3,215	1.00	-	-	-	-	3,215
4	SPEIGHTSTOWN FLOOD MITIGATION PROJECT	Barbados	4,615	1.00	-	-	-	-	4,615
5	TA - ROAD AND BRIDGE IMPROVEMENT STUDY	Barbados	2,044	1.00	-	-	-	-	2,044
6	FLEET MODERNISATION PROJECT - LIAT (1974) LIMITED	Barbados	33,200	1.00	-	-	-	-	33,200
7	NDM - IMMEDIATE RESPONSE - HURRICANE SANDY	Bahamas	-	-	750	1.00	-	-	750
8	6TH POWER PROJECT - ELECTRICITY SYSTEM UPGRADE AND EXPANSION	Belize	11,231	1.00	-	-	-	-	11,231
9	FLEET MODERNISATION PROJECT - LIAT (1974) LIMITED	Dominica	2,400	1.00	-	-	-	-	2,400
10	NDM - IMMEDIATE RESPONSE - APRIL 2013 TORRENTIAL RAINFALL & FLOOD EVENTS	Dominica	-	-	750	1.00	-	-	750
11	SEA AND RIVER DEFENCE RESILIENCE PROJECT	Guyana	2,900	0.12	22,100	0.88	-	-	25,000
12	FLEET MODERNISATION PROJECT - LIAT (1974) LIMITED	St. Vincent and the Grenadines	7,500	1.00	-	-	-	-	7,500
13	THE UNIVERSITY OF THE WEST INDIES OPEN CAMPUS DEVELOPMENT PROJECT	Regional	6,625	0.51	6,375	0.49	-	-	13,000
	Total		**109,013**		**29,975**		**-**		**138,988**
		LDCs	**59,629**	**0.99**	**750**	**0.01**	**-**	**-**	**60,379**
		MDCs	**42,759**	**0.65**	**22,850**	**0.35**	**-**	**-**	**65,609**
		Regional	**6,625**	**0.51**	**6,375**	**0.49**	**-**	**-**	**13,000**
		LDCs	**0.55**		**0.03**	**-**			**0.43**
		MDCs	**0.39**		**0.76**	**-**			**0.47**
		Regional	**0.06**		**0.21**	**-**			**0.09**

APPENDIX II-A

SUMMARY OF TOTAL FINANCING APPROVED (NET) (1970 - 2013) LOANS, CONTINGENT LOANS, EQUITIES AND GRANTS ($'000)

Financing_Type	1970-2012	2013	Total
Loans	3,575,537	127,938	3,703,475
Contingent Loans	5,204	-	5,204
Equity	33,193	10,000	43,193
Grants	436,334	18,058	454,392
Other	120	-	120
Total	**4,050,388**	**155,996**	**4,206,384**

APPENDIX II-B

SUMMARY OF TOTAL FINANCING APPROVED (NET) BY SECTOR (1970 - 2013) LOANS, CONTINGENT LOANS, EQUITIES AND GRANTS ($'000)

Sector	1970-2012	2013	Total
Agriculture and Rural Development	370,475	788	371,263
Environmental Sustainability and Disaster Risk Reduction	338,529	29,380	367,909
Financial, Business and Other Services	85,421	23	85,444
Manufacturing and Industry	333,196	(1,141)	332,055
Mining and Quarrying	36,143	-	36,143
Multi-Sector and Other	691,979	10,432	702,411
Power, Energy, Water and Sanitation	273,608	14,575	288,183
Social Infrastructure and Services	943,760	39,548	983,308
Tourism	104,397	-	104,397
Transportation and Communication	872,880	62,391	935,271
Total	**4,050,388**	**155,996**	**4,206,384**

APPENDIX II-C

DISTRIBUTION OF LOANS, CONTINGENT LOANS, EQUITY AND GRANTS APPROVED (NET) BY SECTOR AND BY FUND (1970 - 2013) ($'000)

Sector	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total
Total All Sectors	**2,288,650**	**1,452,516**	**465,218**	**4,206,384**
Agriculture and Rural Development	**188,826**	**139,568**	**42,869**	**371,263**
Agriculture (excluding Crop Farming)	127,853	37,585	19,478	184,916
Crop Farming	3,725	6,216	2,919	12,860
Export Crops	39,223	23,389	4,732	67,344
Mixed Farming	207	279	3,070	3,556
Irrigation, Drainage and Land Reclamation	10,999	6,958	565	18,522
Fishing	-	2,478	872	3,350
Land Settlement and Rural Development	3,947	36,960	684	41,591
Feeder Roads and Bridges	2,872	25,703	10,549	39,124
Mining and Quarrying	**31,409**	**3,875**	**859**	**36,143**
Fossil Fuels	30,862	926	853	32,641
Metal Ores	547	190	-	737
Non-Metallic Minerals	-	2,759	6	2,765
Manufacturing and Industry	**177,302**	**90,381**	**64,372**	**332,055**
Industrial Development	170,722	60,508	27,190	258,420
Micro and Small Scale Enterprises	-	21,632	1,992	23,624
Agro-Industries	93	5,477	34,245	39,815
Textile, Wearing Apparel and Leather Goods	-	300	311	611
Forest Industries	3,502	348	-	3,850
Chemicals and Chemical Products	-	13	541	554
Non-Metallic Mineral Products	2,985	73	-	3,058
Construction	-	2,030	93	2,123
Tourism	**80,338**	**12,972**	**11,087**	**104,397**
Tourism	80,338	12,972	11,087	104,397

APPENDIX II-C (cont'd)

DISTRIBUTION OF LOANS, CONTINGENT LOANS, EQUITY AND GRANTS APPROVED (NET) BY SECTOR AND BY FUND (1970 - 2013) ($'000)

Transportation and Communication	**644,815**	**215,842**	**74,614**	**935,271**
Transport Policy and Administrative Management	9,889	4,707	118	14,714
Road Transport	360,585	142,260	31,224	534,069
Water Transport	41,534	41,444	15,579	98,557
Air Transport	224,557	26,913	27,587	279,057
Communication	8,250	518	106	8,874
Power and Energy	(150)	2,799	1,742	4,391
Electric Power	75,122	32,810	1,860	109,792
Alternative Energy	8,250	-	1,791	10,041
Water and Sanitation	74,405	66,305	23,249	163,959
Social Infrastructure and Services	**418,022**	**431,132**	**134,154**	**983,308**
Education - General	90,989	77,392	25,766	194,147
Education - Basic	8,642	42,708	13,048	64,398
Education - Secondary/Vocational	17,762	14,350	5,769	37,881
Education - Post Secondary	156,889	102,125	2,574	261,588
Health	4,091	2,467	2,151	8,709
Housing	109,370	36,108	23,049	168,527
Other Social Infrastructure and Services	30,279	155,982	61,797	248,058
Environmental Sustainability and Disaster Risk Reduction	**113,772**	**240,017**	**14,120**	**367,909**
Environmental Sustainability	-	3,253	198	3,451
Sea Defence/Flood Prevention/Control	2,878	22,060	(54)	24,884
Disaster Prevention and Preparedness	3,722	19,912	3,916	27,550
Reconstruction Relief and Rehabilitation	107,172	194,792	10,060	312,024
Financial, Business and Other Services	**46,769**	**36,393**	**2,282**	**85,444**
Financial Policy and Administrative Management	32,083	8,156	1,596	41,835
Financial Intermediaries	14,686	28,237	686	43,609
Multi-Sector and Other	**429,770**	**180,422**	**92,219**	**702,411**
Government and Civil Society	95,083	19,981	14,711	129,775
Urban Development	34,797	9,750	156	44,703
Policy-Based Loans/Structural Adjustment Programme	298,800	129,896	37,000	465,696
Regional/Multulateral Trade Agreements	-	2,242	7,644	9,886
Other	1,090	18,553	32,708	52,351

APPENDIX II-D

DISTRIBUTION OF LOANS, CONTINGENT LOANS, EQUITY AND GRANTS APPROVED (NET) BY COUNTRY AND BY SECTOR (1970 - 2013) ($'000)

Country	Agriculture and Rural Development	Mining and Quarrying	Manufacturing and Industry	Tourism	Transportation and Communication	Power, Energy, Water and Sanitation	Social Infrastructure and Services	Environmental Sustainability and Disaster Risk Reduction	Financial, Business and Other Services	Multi-Sector and Other	Total
Antigua and Barbuda	6,638	0	4,031	1,922	49,999	272	40,815	191	(615)	33,296	136,549
Anguilla	2,871	-	6,573	1,193	20,712	12,284	8,975	4,112	404	55,000	112,124
Barbados	18,921	100	31,874	41,791	123,357	8,912	122,017	520	7,193	74,157	428,842
Bahamas	10,086	-	11,460	2,187	24,891	15,289	400	868	164	24	65,369
Belize	27,934	-	15,216	1,259	80,363	66,392	84,339	17,792	8,724	47,199	349,218
Dominica	21,952	-	17,893	7,506	35,769	28,184	60,170	50,914	946	16,633	239,967
Dominican Republic	519	-	-	-	-	-	-	-	-	8	527
Grenada	19,227	451	19,893	4,553	68,645	7,962	50,001	44,154	1,034	20,902	236,822
Guyana	64,257	-	18,393	128	101,369	12,453	44,834	25,571	-	54,576	321,581
Haiti	10,000	-	679	-	-	-	41,669	8,010	-	19,086	79,444
Jamaica	80,789	932	90,452	15,646	105,995	15,995	115,517	119,696	56,727	132,038	733,787
St. Kitts and Nevis	6,164	123	10,800	1,746	46,817	32,714	66,126	13,119	520	40,206	218,335
Cayman Islands	1,308	388	1,705	6,429	23,047	9,775	5,551	-	44	-	48,247
St. Lucia	22,558	62	25,210	14,197	76,133	29,047	121,935	44,809	5,625	48,283	387,859
Montserrat	1,408	87	1,923	168	6,024	3,495	9,575	-	378	(3)	23,055
Turks and Caicos Islands	1,510	18	1,027	1,302	2,940	240	21,666	719	(326)	88	29,184
Trinidad and Tobago	42,218	30,875	32,664	4	38,262	3,219	(16,549)	4	8	32,752	163,457
St. Vincent and the Grenadines	16,779	2,939	13,182	541	75,396	33,083	67,902	17,994	339	65,043	293,198
British Virgin Islands	3,503	-	5,386	403	36,018	4,812	11,664	15,672	1	-	77,459
Regional	1,332	0	736	1,328	612	2,071	30,329	1,811	1,168	17,821	57,208
Regional: LDC Focus	1,365	119	605	430	11,059	1,091	12,690	617	491	5,346	33,813
Regional: MDC Focus	25	-	-	-	6,313	-	9,602	-	-	3,020	18,960
Regional: LDC/MDC Focus	9,899	49	22,353	1,664	1,550	893	74,080	1,336	2,619	36,936	151,379
Total	**371,263**	**36,143**	**332,055**	**104,397**	**935,271**	**288,183**	**983,308**	**367,909**	**85,444**	**702,411**	**4,206,384**

APPENDIX II-E

APPROVALS OF LOANS, CONTINGENT LOANS, EQUITY AND GRANTS (NET) BY COUNTRY AND BY YEAR (1970 - 2013) ($'000)

Country	1970 - 2007	2008	2009	2010	2011	2012	2013	Total
Antigua and Barbuda	71,432	364	30,300	371	27	(1,552)	35,607	136,549
Anguilla	34,201	18,469	669	55,165	11	269	3,340	112,124
Barbados	275,973	49	13,313	62,141	35,273	2,171	39,922	428,842
Bahamas	53,950	3	24	10,146	-	224	1,022	65,369
Belize	248,001	12,325	13,660	40,679	2,112	20,986	11,455	349,218
Dominica	171,981	15,261	12,856	5,270	12,438	20,256	1,905	239,967
Dominican Republic	-	-	-	-	-	527	-	527
Grenada	191,749	7,955	20,460	3,529	10,077	3,145	(93)	236,822
Guyana	224,385	13,669	1,639	16,095	269	40,511	25,013	321,581
Haiti	10,000	11,055	10,000	17,599	10,721	6,363	13,706	79,444
Jamaica	526,057	160,817	779	20,475	(720)	26,515	(136)	733,787
St. Kitts and Nevis	176,654	6,409	6,787	8,873	18,557	1,013	42	218,335
Cayman Islands	48,504	52	(291)	(125)	-	72	35	48,247
St. Lucia	265,317	44,782	20,692	13,755	30,539	12,462	312	387,859
Montserrat	17,271	1,108	220	63	2,591	1,751	51	23,055
Turks and Caicos Islands	29,844	937	328	(31)	(99)	(1,880)	85	29,184
Trinidad and Tobago	188,240	(1,088)	(24,812)	23	1,017	27	50	163,457
St. Vincent and the Grenadines	175,106	12,199	25,625	37,311	19,412	23,128	417	293,198
British Virgin Islands	61,635	-	-	54	15,672	48	50	77,459
Regional	-	-	15,300	6,559	5,139	6,997	23,213	57,208
Regional: LDC Focus	33,072	741	-	-	-	-	-	33,813
Regional: MDC Focus	18,960	-	-	-	-	-	-	18,960
Regional: LDC/MDC Focus	115,113	36,266	-	-	-	-	-	151,379
Total	**2,937,445**	**341,373**	**147,549**	**297,952**	**163,036**	**163,033**	**155,996**	**4,206,384**
LDCs	**1,534,591**	**131,657**	**141,306**	**182,513**	**122,058**	**86,061**	**66,912**	**2,265,098**
MDCs	**1,287,741**	**173,450**	**(9,057)**	**108,880**	**35,839**	**69,448**	**65,871**	**1,732,172**
Regional	**115,113**	**36,266**	**15,300**	**6,559**	**5,139**	**7,524**	**23,213**	**209,114**

APPENDIX II-F
DISTRIBUTION OF LOANS APPROVED (NET) BY COUNTRY AND BY FUND (1970 - 2013) ($'000)

Country	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total	Percentage of Total
Antigua and Barbuda	106,029	14,255	9,346	129,630	3.5%
Anguilla	97,602	11,599	500	109,701	3.0%
Barbados	388,947	6,909	29,779	425,635	11.5%
Bahamas	57,629	3,126	3,240	63,995	1.7%
Belize	190,809	115,404	11,265	317,478	8.6%
Dominica	52,987	113,914	36,322	203,223	5.5%
Grenada	63,323	118,256	30,687	212,266	5.7%
Guyana	71,795	186,815	22,164	280,774	7.6%
Jamaica	472,412	166,839	74,831	714,082	19.3%
St. Kitts and Nevis	104,723	88,578	9,025	202,326	5.5%
Cayman Islands	39,884	4,703	3,313	47,900	1.3%
St. Lucia	193,853	129,362	37,665	360,880	9.7%
Montserrat	485	11,178	1,372	13,035	0.4%
Turks and Caicos Islands	11,285	12,100	-	23,385	0.6%
Trinidad and Tobago	153,808	5,018	2,566	161,392	4.4%
St. Vincent and the Grenadines	153,691	91,794	23,522	269,007	7.3%
British Virgin Islands	59,542	14,791	1,894	76,227	2.1%
Regional	12,668	6,375	-	19,043	0.5%
Regional: LDC Focus	10,000	5,232	2,626	17,858	0.5%
Regional: MDC Focus	7,266	5,544	2,174	14,984	0.4%
Regional: LDC/MDC Focus	39,912	742	-	40,654	1.1%
Total	**2,288,650**	**1,112,534**	**302,291**	**3,703,475**	
Percentage of Total	**61.8**	**30.0**	**8.2**		**100.0**
LDCs	**1,084,213**	**731,166**	**167,537**	**1,982,916**	**53.5%**
MDCs	**1,151,857**	**374,251**	**134,754**	**1,660,862**	**44.8%**
Regional	**52,580**	**7,117**	**0**	**59,697**	**1.6%**

APPENDIX II-G
DISTRIBUTION OF LOANS APPROVED (NET) BY SECTOR AND BY FUND (1970 - 2013) ($'000)

Sector	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total
Total All Sectors	**2,288,650**	**1,112,534**	**302,291**	**3,703,475**
Agriculture and Rural Development	**188,826**	**123,011**	**36,835**	**348,672**
Agriculture (excluding Crop Farming)	127,853	35,704	18,865	182,422
Crop Farming	3,725	5,895	2,780	12,400
Export Crops	39,223	23,314	4,674	67,211
Mixed Farming	207	100	1,421	1,728
Irrigation, Drainage and Land Reclamation	10,999	6,803	409	18,211
Fishing	-	2,437	694	3,131
Land Settlement and Rural Development	3,947	25,567	312	29,826
Feeder Roads and Bridges	2,872	23,191	7,680	33,743
Mining and Quarrying	**31,409**	**3,294**	**436**	**35,139**
Fossil Fuels	30,862	535	430	31,827
Metal Ores	547	-	-	547
Non-Metallic Minerals	-	2,759	6	2,765
Manufacturing and Industry	**177,302**	**73,426**	**47,544**	**298,272**
Industrial Development	170,722	59,702	13,383	243,807
Micro and Small Scale Enterprises	-	8,563	1,137	9,700
Agro-Industries	93	5,086	32,318	37,497
Textile, Wearing Apparel and Leather Goods	-	2	260	262
Forest Industries	3,502	-	-	3,502
Chemicals and Chemical Products	-	-	446	446
Non-Metallic Mineral Products	2,985	73	-	3,058
Tourism	**80,338**	**10,803**	**6,935**	**98,076**
Tourism	80,338	10,803	6,935	98,076
Transportation and Communication	**644,815**	**209,834**	**70,340**	**924,989**
Transport Policy and Administrative Management	9,889	3,101	-	12,990
Road Transport	360,585	140,460	31,162	532,207
Water Transport	41,534	40,982	15,041	97,557
Air Transport	224,557	25,254	24,137	273,948
Communication	8,250	37	-	8,287

APPENDIX II-G (cont'd)
DISTRIBUTION OF LOANS APPROVED (NET) BY SECTOR AND BY FUND (1970 - 2013) ($'000)

Power, Energy, Water and Sanitation	**157,627**	**96,811**	**24,140**	**278,578**
Power and Energy	(150)	520	-	370
Electric Power	75,122	32,625	1,577	109,324
Alternative Energy	8,250	-	-	8,250
Water and Sanitation	74,405	63,666	22,563	160,634
Social Infrastructure and Services	**418,022**	**212,725**	**63,160**	**693,907**
Education - General	90,989	42,895	16,558	150,442
Education - Basic	8,642	30,296	12,050	50,988
Education - Secondary/Vocational	17,762	8,672	5,769	32,203
Education - Post Secondary	156,889	92,472	2,174	251,535
Health	4,091	1,157	1,875	7,123
Housing	109,370	35,347	22,884	167,601
Other Social Infrastructure and Services	30,279	1,886	1,850	34,015
Environmental Sustainability and Disaster Risk Reduction	**113,772**	**225,486**	**11,501**	**350,759**
Sea Defence/Flood Prevention/Control	2,878	22,040	(54)	24,864
Disaster Prevention and Preparedness	3,722	10,798	1,495	16,015
Reconstruction Relief and Rehabilitation	107,172	192,648	10,060	309,880
Financial, Business and Other Services	**46,769**	**31,438**	**-**	**78,207**
Financial Policy and Administrative Management	32,083	5,209	-	37,292
Financial Intermediaries	14,686	26,229	-	40,915
Multi-Sector and Other	**429,770**	**125,706**	**41,400**	**596,876**
Government and Civil Society	95,083	3,226	4,400	102,709
Urban Development	34,797	750	-	35,547
Policy-Based Loans/Structural Adjustment Programme	298,800	119,760	37,000	455,560
Other	1,090	1,970	-	3,060

APPENDIX II-H
CONTINGENT LOANS APPROVED (NET) BY COUNTRY AND BY FUND (1970 - 2013) ($'000)

Country	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total	Percentage of Total
Antigua and Barbuda	-	4	-	4	0.1%
Anguilla	-	-	71	71	1.4%
Barbados	-	384	156	540	10.4%
Belize	-	829	152	981	18.9%
Dominica	-	-	809	809	15.5%
Grenada	-	241	-	241	4.6%
Jamaica	-	286	-	286	5.5%
St. Kitts and Nevis	-	178	56	234	4.5%
St. Lucia	-	145	50	195	3.7%
Montserrat	-	87	-	87	1.7%
Turks and Caicos Islands	-	1,054	-	1,054	20.3%
Trinidad and Tobago	-	200	-	200	3.8%
St. Vincent and the Grenadines	-	217	131	348	6.7%
British Virgin Islands	-	50	104	154	3.0%
Total	**-**	**3,675**	**1,529**	**5,204**	
Percentage of Total	**0.0**	**70.6**	**29.4**		**100.0**
LDCs	**0**	**2,805**	**1,373**	**4,178**	**80.3%**
MDCs	**0**	**870**	**156**	**1,026**	**19.7%**

APPENDIX II-I
CONTINGENT LOANS APPROVED (NET) BY SECTOR AND BY FUND (1970 - 2013) ($'000)

Sector	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total
Total All Sectors	**-**	**3,675**	**1,529**	**5,204**
Agriculture and Rural Development	**-**	**460**	**147**	**607**
Agriculture (excluding Crop Farming)	-	185	96	281
Crop Farming	-	-	51	51
Export Crops	-	75	-	75
Land Settlement and Rural Development	-	200	-	200
Mining and Quarrying	**-**	**391**	**131**	**522**
Fossil Fuels	-	391	131	522
Manufacturing and Industry	**-**	**52**	**-**	**52**
Industrial Development	-	52	-	52
Tourism	**-**	**93**	**-**	**93**
Tourism	-	93	-	93
Transportation and Communication	**-**	**2,096**	**243**	**2,339**
Transport Policy and Administrative Management	-	1,267	104	1,371
Road Transport	-	245	38	283
Air Transport	-	584	101	685
Power, Energy, Water and Sanitation	**-**	**583**	**852**	**1,435**
Power and Energy	-	222	824	1,046
Water and Sanitation	-	361	28	389
Multi-Sector and Other	**-**	**-**	**156**	**156**
Urban Development	-	-	156	156

APPENDIX II-J
GRANTS APPROVED (NET) BY COUNTRY AND BY FUND (1970 - 2013) ($'000)

Country	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total	Percentage of Total
Antigua and Barbuda	-	2,282	4,633	6,915	1.5%
Anguilla	-	1,496	856	2,352	0.5%
Barbados	-	1,283	937	2,220	0.5%
Bahamas	-	1,254	120	1,374	0.3%
Belize	-	21,819	7,498	29,317	6.5%
Dominica	-	15,688	20,247	35,935	7.9%
Dominican Republic	-	-	519	519	0.1%
Grenada	-	14,955	9,360	24,315	5.4%
Guyana	-	34,704	6,103	40,807	9.0%
Haiti	-	79,444	-	79,444	17.5%
Jamaica	-	17,778	1,016	18,794	4.1%
St. Kitts and Nevis	-	9,795	5,773	15,568	3.4%
Cayman Islands	-	315	32	347	0.1%
St. Lucia	-	18,301	8,483	26,784	5.9%
Montserrat	-	7,102	2,831	9,933	2.2%
Turks and Caicos Islands	-	3,829	916	4,745	1.0%
Trinidad and Tobago	-	668	1,197	1,865	0.4%
St. Vincent and the Grenadines	-	15,107	8,346	23,453	5.2%
British Virgin Islands	-	730	348	1,078	0.2%
Regional	-	22,691	5,380	28,071	6.2%
Regional: LDC Focus	-	6,931	5,924	12,855	2.8%
Regional: MDC Focus	-	976	-	976	0.2%
Regional: LDC/MDC Focus	-	58,951	27,774	86,725	19.1%
Total	**-**	**336,099**	**118,293**	**454,392**	
Percentage of Total	**0.0**	**74.0**	**26.0**		**100.0**
LDCs	**0**	**197,650**	**75,215**	**272,865**	**60.1%**
MDCs	**0**	**56,807**	**9,405**	**66,212**	**14.6%**
Regional	**0**	**81,642**	**33,673**	**115,315**	**25.4%**

APPENDIX II-K
GRANTS APPROVED (NET) BY SECTOR AND BY FUND (1970 - 2013) ($'000)

Sector	Ordinary Capital Resources	Special Development Fund	Other Special Funds	Total
Total All Sectors	**-**	**336,099**	**118,293**	**454,392**
Agriculture and Rural Development	**-**	**16,097**	**4,222**	**20,319**
Agriculture (excluding Crop Farming)	-	1,696	294	1,990
Crop Farming	-	321	88	409
Export Crops	-	-	58	58
Mixed Farming	-	179	207	386
Irrigation, Drainage and Land Reclamation	-	155	156	311
Fishing	-	41	178	219
Land Settlement and Rural Development	-	11,193	372	11,565
Feeder Roads and Bridges	-	2,512	2,869	5,381
Mining and Quarrying	**-**	**190**	**292**	**482**
Fossil Fuels	-	-	292	292
Metal Ores	-	190	-	190
Manufacturing and Industry	**-**	**16,714**	**6,090**	**22,804**
Industrial Development	-	754	3,583	4,337
Micro and Small Scale Enterprises	-	13,069	712	13,781
Agro-Industries	-	391	1,556	1,947
Textile, Wearing Apparel and Leather Goods	-	109	51	160
Forest Industries	-	348	-	348
Chemicals and Chemical Products	-	13	95	108
Construction	-	2,030	93	2,123
Tourism	**-**	**2,057**	**3,080**	**5,137**
Tourism	-	2,057	3,080	5,137
Transportation and Communication	**-**	**3,912**	**4,031**	**7,943**
Transport Policy and Administrative Management	-	339	14	353
Road Transport	-	1,555	24	1,579
Water Transport	-	462	538	1,000
Air Transport	-	1,075	3,349	4,424
Communication	-	481	106	587

APPENDIX II-K (cont'd)
GRANTS APPROVED (NET) BY SECTOR AND BY FUND (1970 - 2013) ($'000)

Power, Energy, Water and Sanitation	**-**	**4,520**	**3,650**	**8,170**
Power and Energy	-	2,057	918	2,975
Electric Power	-	185	283	468
Alternative Energy	-	-	1,791	1,791
Water and Sanitation	-	2,278	658	2,936
Social Infrastructure and Services	**-**	**218,407**	**70,900**	**289,307**
Education - General	-	34,497	9,208	43,705
Education - Basic	-	12,412	998	13,410
Education - Secondary/Vocational	-	5,678	-	5,678
Education - Post Secondary	-	9,653	400	10,053
Health	-	1,310	276	1,586
Housing	-	761	165	926
Other Social Infrastructure and Services	-	154,096	59,853	213,949
Environmental Sustainability and Disaster Risk Reduction	**-**	**14,531**	**2,619**	**17,150**
Environmental Sustainability	-	3,253	198	3,451
Sea Defence/Flood Prevention/Control	-	20	-	20
Disaster Prevention and Preparedness	-	9,114	2,421	11,535
Reconstruction Relief and Rehabilitation	-	2,144	-	2,144
Financial, Business and Other Services	**-**	**4,955**	**2,182**	**7,137**
Financial Policy and Administrative Management	-	2,947	1,496	4,443
Financial Intermediaries	-	2,008	686	2,694
Multi-Sector and Other	**-**	**54,716**	**21,227**	**75,943**
Government and Civil Society	-	16,755	10,311	27,066
Urban Development	-	9,000	-	9,000
Policy-Based Loans/Structural Adjustment Programme	-	10,136	-	10,136
Regional/Multulateral Trade Agreements	-	2,242	7,618	9,860
Other	-	16,583	3,298	19,881

APPENDIX II-L
GRANTS APPROVED (NET) BY COUNTRY AND BY YEAR (1970 - 2013) ($'000)

Country	1970 - 2007	2008	2009	2010	2011	2012	2013	Total
Antigua and Barbuda	5,687	364	-	371	132	37	324	6,915
Anguilla	1,536	202	44	165	11	269	125	2,352
Barbados	1,457	49	463	79	23	86	63	2,220
Bahamas	814	3	24	37	-	224	272	1,374
Belize	17,621	3,025	180	960	1,012	6,295	224	29,317
Dominica	22,957	2,508	(41)	1,380	58	8,898	175	35,935
Dominican Republic	-	-	-	-	-	519	-	519
Grenada	16,417	2,255	976	533	818	3,409	(93)	24,315
Guyana	25,639	6,169	1,639	220	269	6,858	13	40,807
Haiti	10,000	11,055	10,000	17,599	10,721	6,363	13,706	79,444
Jamaica	5,054	4,926	779	475	321	7,049	190	18,794
St. Kitts and Nevis	12,134	852	150	448	47	1,895	42	15,568
Cayman Islands	188	52	-	-	-	72	35	347
St. Lucia	16,861	2,782	129	368	596	5,736	312	26,784
Montserrat	6,649	1,108	220	63	91	1,751	51	9,933
Turks and Caicos Islands	3,213	437	35	18	-	957	85	4,745
Trinidad and Tobago	542	18	188	23	1,017	27	50	1,865
St. Vincent and the Grenadines	16,293	1,768	61	311	440	4,558	22	23,453
British Virgin Islands	926	-	-	54	-	48	50	1,078
Regional	-	-	7,050	6,559	5,139	6,911	2,412	28,071
Regional: LDC Focus	12,114	741	-	-	-	-	-	12,855
Regional: MDC Focus	976	-	-	-	-	-	-	976
Regional: LDC/MDC Focus	75,459	11,266	-	-	-	-	-	86,725
Total	**252,537**	**49,580**	**21,897**	**29,663**	**20,695**	**61,962**	**18,058**	**454,392**
LDCs	**142,420**	**27,149**	**11,754**	**22,270**	**13,926**	**40,288**	**15,058**	**272,865**
MDCs	**34,658**	**11,165**	**3,093**	**834**	**1,630**	**14,244**	**588**	**66,212**
Regional	**75,459**	**11,266**	**7,050**	**6,559**	**5,139**	**7,430**	**2,412**	**115,315**

APPENDIX III
GOVERNORS AND ALTERNATE GOVERNORS – 2013

Dr. the Hon. Ashni Singh	Guyana	Chairman
Hon. Mauricio Cardenas Santa Maria	Colombia	Vice-Chairman
Hon. Pier Carlo Padoan	Italy	Vice-Chairman

COUNTRY	GOVERNOR	ALTERNATE GOVERNOR
Anguilla, British Virgin Islands, Cayman Islands, Montserrat and Turks and Caicos Island	**Hon. Reuben T. Meade** Premier and Minister of Finance and Economic Management, Montserrat	**Vacant**
Antigua and Barbuda	**Hon. Harold Lovell** Minister of Finance, the Economy and Public Administration	**Mr. Whitfield Harris, Jr.** Financial Secretary Ministry of Finance
The Bahamas	**Hon. Michael B. Halkitis** Minister of State Ministry of Finance	**Mr. John Rolle** Financial Secretary Ministry of Finance
Barbados	**Hon. Christopher P. Sinckler, M.P.** Minister of Finance and Economic Affairs	**Mr. Grantley Smith** Director of Finance and Economic Affairs
Belize	**Hon. Dean Barrow** Prime Minister and Minister of Finance	**Mr. Joseph Waight** Financial Secretary Ministry of Finance
Canada	**Hon. John Baird** Minister of Foreign Affairs	**Mr. Rob Stewart** Assistant Deputy Minister Int. Trade and Finance Branch Department of Finance Canada
Colombia	**Hon. Mauricio Cardenas Santa Maria** Minister of Finance and Public Credit	**Mr. José Darío Uribe** Governor Banco de la Republica

APPENDIX III
GOVERNORS AND ALTERNATE GOVERNORS – MAY 2013

COUNTRY	GOVERNOR	ALTERNATE GOVERNOR
Dominica	**Hon. Roosevelt Skerrit** Prime Minister and Minister for Finance, Foreign Affairs and Information Technology	**Mrs. Rosamund Edwards** Financial Secretary Ministry of Finance
Germany	**Ms. Gudrun Kopp** Parliamentary State Secretary Federal Ministry for Economic Cooperation and Development	**Mr. Claus-Michael Happe** Head of Division I C 5 Federal Ministry of Finance
Grenada	**Dr. the Hon. Keith Mitchell** Prime Minister and Minister for Finance and Energy	**Mr. Timothy N.J. Antoine** Permanent Secretary Ministry of Finance
Guyana	**Dr. the Hon. Ashni Singh** Minister of Finance	**Mr. Clyde Roopchand** Chief Planning Officer Ministry of Finance
Haiti	**Hon. Wilson Laleau** Minister of the Economy and Finance	**Mr. Charles Castel** Governor Central Bank of Haiti
Italy	**Mr. Fabrizio Saccomanni** Minister of Economy and Finance	**Mr. Carlo Monticelli** Head of Int. and Financial Relations, Department of the Treasury, Ministry of Economy and Finance
Jamaica	**Hon. Dr. Peter Phillips** Minister of Finance Ministry of Finance and Planning	**Mr. Devon Rowe** Financial Secretary Ministry of Finance and Planning
Mexico	**Mr. Luis Videgaray Caso** Secretary of Finance and Public Credit	**Mr. Fernando Aportela Rodriquez** Under Secretary of Finance and Public Credit
People's Republic of China	**Mr. Zhou Xiaochuan** Governor People's Bank of China	**Mr. Yi Gang** Deputy Governor People's Bank of China
St. Kitts and Nevis	**The Hon. Dr. Denzil Douglas** Prime Minister and Minister Finance, Sustainable Development, and Human Resource Development	**Mrs. Hilary Hazel** Financial Secretary (ag.) Ministry of Finance

APPENDIX III
GOVERNORS AND ALTERNATE GOVERNORS – MAY 2013

COUNTRY	GOVERNOR	ALTERNATE GOVERNOR
Saint Lucia	**Dr. the Hon. Kenny D. Anthony** Prime Minister and Minister for Finance	**Dr. Reginald Darius** Permanent Secretary/ Ministry of Finance, Economic Affairs, and Social Security
Suriname	**Hon. Andojo Rusland** Minister of Finance	**Mr. Gillmore Hoefdraad** Governor Central Bank of Suriname
St. Vincent and the Grenadines	**Dr. the Hon. Ralph Gonsalves** Prime Minister and Minister of Finance	**Vacant**
Trinidad and Tobago	**Sen. Dr. the Hon. Bhoendradatt Tewarie** Minister of Planning and Sustainable Development	**Hon. Stephen Cadiz** Minister of Trade and Industry
United Kingdom	**Rt. Hon. Justine Greening, MP** Secretary of State for International Development, Department for International Development (DfID)	**Hon. Alan Duncan** Minister of State for International Development DfID
Venezuela	**Ms. Edmée Betancourt de Garcia**	**Ms. Veronica Guerrero** Deputy Minister for Latin America and the Caribbean Ministry of Foreign Affairs

APPENDIX III
BOARD OF DIRECTORS AND VOTING GROUPS

DIRECTOR	ALTERNATE DIRECTOR
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Mrs. Rose Lemonius-Stewart Director Loan Administration, Monitoring & Disbursement Unit Economic Management Division Ministry of Finance and Planning	**Dr. Carol Nelson** Senior Director International Financial Institutions Unit Ministry of Finance and Planning
TRINIDAD AND TOBAGO AND HAITI	
Mr. Clint Ramcharan Deputy Permanent Secretary (Ag.) Ministry of Planning and Sustainable Development	**Mr. Eric James** Permanent Secretary Ministry of Finance and the Economy
ADVISER **Mr. Hancy Pierre-Louis** C/o Ministry of Finance, HAITI	
THE BAHAMAS	
Mr. John A. Rolle Acting Financial Secretary Ministry of Finance	**Vacant**
GUYANA	
Mr. Neermal Rekha Financial Secretary Ministry of Finance Georgetown	**Mr. Keith Burrowes** Chairman Guyana Office for Investment

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ST. LUCIA AND DOMINICA	
Mrs. Rosamund Edwards Financial Secretary Ministry of Finance, Industry and Planning	**Dr. Reginald Darius** Permanent Secretary Ministry of Finance, Economic Affairs, and Social Security
GRENADA AND ST. VINCENT AND THE GRENADINES	
Mr. Maurice Edwards Director General, Finance and Planning Ministry of Finance and Economic Planning	**Mr. Timothy Antoine** Permanent Secretary Ministry of Finance
BELIZE AND ANGUILLA, BRITISH VIRGIN ISLANDS, CAYMAN ISLANDS, MONTSERRAT, AND TURKS AND CAICOS ISLANDS	
Mr. Kenneth Jefferson, JP Financial Secretary Office of the Financial Secretary Portfolio of Finance and Economics Cayman Islands	**Ms. Yvonne S. Hyde** Chief Executive Officer Ministry of Economic Development, Commerce, Industry and Consumer Protection Belize
ANTIGUA AND BARBUDA AND ST. KITTS AND NEVIS	
Mrs. Hilary Hazel Financial Secretary (Ag.) Ministry of Finance	**Mr. Whitfield Harris, Jr.** Financial Secretary Ministry of Finance, the Economy and Public Administration

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SURINAME	
Mrs. Liane Pinas-Halfhide Permanent Secretary Ministry of Finance	**Mr. Carlo Mike Ebecilio** Coordinator, International Economic Relations Ministry of Finance
VENEZUELA	
Ms. Beatriz H. Bolívar Chief Oficina Nacional de Crédito Público Avenida Urdaneta	**Mr. José A. Mendoza López** Director General of Financial Operations (E) Oficina Nacional de Crédito Público
MEXICO	
Dr. Jesus Gustavo Garza Garcia Deputy Director General for North America, Asia-Pacific and the Caribbean Secretaría de Hacienda y Crédito Público	**Ms. Maria Isabel Lozano Santin** Director International Financial Affairs Unit Ministry of Finance
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Ms. Louise Clément Minister Counsellor (Development) High Commission of Canada	**Ms. Jean E. McCardle** First Secretary (Development) High Commission of Canada

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ITALY	
Mrs. Stefania Bazzoni Head of Office, Relations with Multilateral Development Banks Department of the Treasury Ministry of Economy and Finance	**Mr. Pablo Facchinei** Deputy Head Multilateral Development Banks Office Ministry of Economy and Finance
GERMANY	
Dr. Martin Kipping Executive Director for Germany Caribbean Development Bank c/o The World Bank	**Vacant**
PEOPLE'S REPUBLIC OF CHINA	
Mr. He Jianxiong Director-General International Department The People's Bank of China (PBC)	**Mr. Bu Yu** Alternate Director for China to CDB and Chief Representative Representative Office for CDB of the PBC Embassy of the People’s Republic of China

APPENDIX III
PRINCIPAL OFFICERS OF THE BANK 2013

OFFICE OF THE PRESIDENT

President .... **Dr. Wm. Warren Smith***
Deputy Director, Internal Audit .... **Dr. Kathleen Gordon**
Head (Ag.), Office of Independent Evaluation .... **Ms. Anne Bramble**
Chief Risk Officer .... **Mr. Malcolm Buamah****

CORPORATE SERVICES

Vice-President (Corporate Services) and Bank Secretary .... **Mrs. Yvette Lemonias Seale****
Director, Information and Technology Solutions .... **Mr. Mark Taitt****
Director, Finance and Corporate Planning .... **Mr. Nigel Romano****
Deputy Director, Finance .... **Mr. Carlyle Assue**
Deputy Director (Ag.), Corporate Planning .... **Ms. Monica LaBennett**
Director, Human Resources and Administration .... **Mr. Phillip Brown****
Deputy Director (Ag.), Human Resources .... **Mrs. Fay Kirnon Alleyne**
General Counsel .... **Mrs. Diana Wilson Patrick****
Deputy General Counsel .... **Mrs. S. Nicole Jordan**

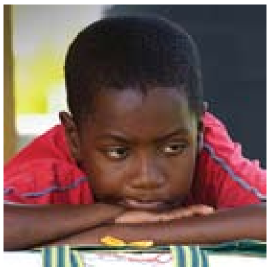
OPERATIONS

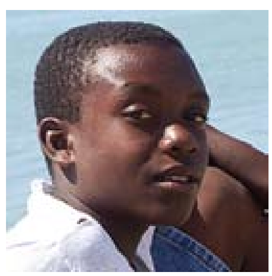
Vice-President (Operations) .... **Dr. Carla Barnett****
Director, Economics .... **Dr. Justine Ram****
Director, Projects .... **Mrs. Tessa Williams Robertson****
Division Chief, Social Sector .... **Ms. Deidre Clarendon**
Head of Procurement .... **Mr. Norman Cameron**
Division Chief (Ag.), Technical Cooperation .... **Mr. Clairvair Squires**
Division Chief, Economic Infrastructure .... **Mr. Andrew Dupigny**

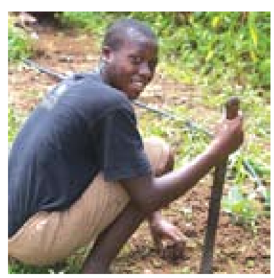
* Chairman, Advisory Management Team
** Members of the Advisory Management Team

APPENDIX III
ABBREVIATIONS

APEC .... Audit and Post Evaluation Committee
BMC .... Borrowing Member Country
bn .... Billion
BNTF .... Basic Needs Trust Fund
CARICOM......................... Caribbean Community
CARTAC............................ Caribbean Technical Assistance Centre
CDB .... Caribbean Development Bank
CFD .... Caribbean Forum for Development
CPAs................................ Country Poverty Assessments
CSME .... CARICOM Single Market and Economy
CSOs .... Civil Society Organisations
CTCS .... Caribbean Technological Consultancy Services Network
CWIQ .... Core Welfare Indicators Questionnaire
DMFC .... Disaster Mitigation Facility for the Caribbean
DFI .... Development Finance Institution
HRD .... Human Resource Development
ICC .... International Cricket Council
IDB................................... Inter-American Development Bank
LDCs................................ Less Developed Countries
MDGs .... Millennium Development Goals
mn .... Million
OCR................................. Ordinary Capital Resources
PRS .... Poverty Reduction Strategies
SDF.................................. Special Development Fund
SDF(U) .... Special Development Fund (Unified)
SFR.................................. Special Funds Resources
SLS .... Student Loan Scheme
SMEs .... Small and Medium-Sized Enterprises
SPs .... Sub-Projects
TA .... Technical Assistance
UK.................................... United Kingdom
US.................................... United States of America







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