

PUBLIC DISCLOSURE AUTHORISED

CARIBBEAN DEVELOPMENT BANK



**REPLENISHMENT OF THE RESOURCES OF
THE SPECIAL DEVELOPMENT FUND UNIFIED (SDF 10)**

**RESOLUTION
AND
REPORT OF CONTRIBUTORS ON SDF 10**

FEBRUARY 12, 2021

CARIBBEAN DEVELOPMENT BANK

SPECIAL DEVELOPMENT FUND (UNIFIED)

RESOLUTION AND REPORT OF CONTRIBUTORS TO SDF 10

WITH

REPORT OF MEETINGS OF CONTRIBUTORS HELD

APRIL 1, 2020; SEPTEMBER 25, 2020; DECEMBER 11, 2020; AND JANUARY 29, 2021

AS SCHEDULE 3

ADOPTED FEBRUARY 12, 2021

RESOLUTION OF CONTRIBUTORS
TO THE SPECIAL DEVELOPMENT FUND (UNIFIED)
OF THE CARIBBEAN DEVELOPMENT BANK
(SDF 10)

WHEREAS:

The Board of Directors of the Caribbean Development Bank (hereafter called “the Bank”) has determined that the Bank should carry out negotiations for a replenishment of its Special Development Fund (Unified) (hereinafter called “the Special Development Fund”) to finance the Bank’s concessional programme for the four-year period commencing January 1, 2021, and, for that purpose, should seek contributions to the Special Development Fund.

The Governments listed in Part A of Schedule 1 to this Resolution (herein called “Contributors”) have indicated their intentions to make contributions to the Special Development Fund in the respective amounts set out in the said Part A in accordance with the arrangements set forth in this Resolution and on the basis of the decisions and understandings contained in the Report of Contributors at Schedule 3 to this Resolution.

NOW THEREFORE, the Contributors hereby RESOLVE as follows:

1. Definitions

As used in this Resolution, unless the context otherwise requires, the several terms defined in the Rules for the Special Development Fund (adopted May 1983) have the respective meanings set forth therein, except that the term "Contribution Cycle" means the period of four years commencing January 1, 2021 and ending December 31, 2024, and the following additional terms have the following meanings:

- (i) "cash portion" means that portion of a Contribution which is payable in cash as indicated by the Contributor in its Instrument of Contribution;
- (ii) "currency of obligation" means the applicable currency of obligation indicated in the Third Column of Part A of Schedule 1 to this Resolution in which the relevant Contribution is to be made pursuant to paragraphs 3 (a) and 7 (a) of this Resolution;
- (iii) "instalment" means a cash payment which is part of a cash portion or a deposit of a note which is part of a notes portion;
- (iv) "notes" means non-negotiable non-interest bearing notes payable at their par value on demand;
- (v) "notes portion" means that portion of a Contribution which is payable by the deposit of notes as indicated by the Contributor in its Instrument of Contribution;
- (vi) "qualified contribution" means a Contribution as defined in paragraph 3 (d) of this Resolution;
- (vii) "SDF 10" means the replenishment of the Special Development Fund for the Contribution Cycle; and

- (viii) "unqualified contribution" means a contribution as defined in paragraph 3 (c) of this Resolution.

2. Contributions

(a) Pledges by Contributors

The Contributors hereby severally pledge to the Bank Contributions to SDF 10 in amounts not less than those indicated for the respective Contributors and in the respective currencies of obligation set out in Part A of Schedule 1 to this Resolution.

(b) Additional Contributions

Notwithstanding the provisions of paragraph 2 (a) above, the Bank may accept from any of the Contributors listed in Part A of Schedule 1 to this Resolution and other Contributors additional Contributions to SDF 10 during the Contribution Cycle on terms and conditions similar to those set out and referred to in this Resolution.

3. Contribution Agreement

(a) Agreements resulting from Pledges under this Resolution

By June 30, 2021, or such later date as may be determined by the Board of Directors of the Bank, each Contributor shall deposit with the Bank an Instrument of Contribution, substantially in the form set out in Schedule 2 to this Resolution or in such other form as the Bank may approve, agreeing to contribute to SDF 10 the amount of its Contribution in the applicable currency of obligation as set forth in Part A of Schedule 1 to this Resolution and each such Instrument of Contribution shall constitute a Contribution Agreement.

(b) Agreements resulting from Additional Contributions

Within three (3) months after the Bank has notified a Contributor that the Bank will accept an additional Contribution to SDF 10 in the amount offered or proposed by such Contributor and on terms and conditions similar to those set out and referred to in this Resolution, or by such later date as may be determined by the Bank, such Contributor shall deposit with the Bank an Instrument of Contribution, substantially in the form set out in Schedule 2 to this Resolution or in such other form as the Bank may approve, agreeing to contribute to SDF 10 the amount of its contribution in the applicable currency of obligation and each such Instrument of Contribution shall constitute a Contribution Agreement.

(c) Unqualified Contribution

Subject to the provisions of paragraph 3 (d) below, each Contribution Agreement shall constitute an unqualified commitment by the Contributor to make payment of its Contribution in the manner and on the terms set forth in or contemplated by this Resolution.

(d) Qualified Contribution

As an exceptional case, where an unqualified contribution cannot be given by a Contributor due to its legislative practice, the Bank may accept from the Contributor a Contribution under a Contribution Agreement which contains the qualification that payment of all instalments of the Contribution, except the first, is subject to subsequent budgetary appropriations. Such an agreement, however, shall include an undertaking by the Contributor to seek the necessary appropriations in order to make payments of the second and subsequent instalments in accordance with paragraphs 6 (a) and (b) below during the Contribution Cycle and to notify the Bank as soon as each such appropriation is obtained. Portions of a Contribution covered by such an agreement shall from time to time become unqualified to the extent that appropriations have been obtained.

4. Entry into Effect

Each Contribution or portion thereof shall become effective on the date of deposit with the Bank of the relevant Contribution Agreement.

5. Mode of Payment

All payments in respect of a Contribution shall be made in cash or by the deposit of notes of the Contributor or in both cash and notes.

6. Instalment Payments(a) Amounts of Instalments and Payment Dates

Except as otherwise provided in this Resolution,

- (i) each cash portion shall be paid to the Bank in equal instalments, each in an amount of not less than twenty-five percent (25%) of the relevant cash portion, in such manner that at least one (1) payment shall be made prior to July 31, 2021 and subsequent payments by July 31 in each subsequent year of the Contribution Cycle or by such later date or dates as the Bank may determine; and
- (ii) each note portion shall be paid to the Bank in equal instalments, each in an amount of not less than twenty-five percent (25%) of the relevant notes portion, in such manner that at least one (1) payment shall be made prior to July 31, 2021 and subsequent payments by July 31 in each subsequent year of the Contribution Cycle or by such later date or dates as the Bank may determine.

(b) Payment of First Instalments and Drawdowns

Subject to the provisions of paragraph 6 (a) above and paragraphs 6 (d) and (e) below, each first instalment of a cash portion and/or a notes portion shall be made within thirty (30) days after the date of the deposit with the Bank of the relevant Contribution Agreement in the form of an unqualified Instrument of Contribution, and drawdowns by the Bank in respect of notes deposited shall be made semi-annually according to a fixed encashment schedule based on the Bank's historical disbursement profiles weighted by the expected composition of the SDF 10 programme or such other drawdown arrangements as may be determined by the Board of Directors. The fixed encashment schedule will be

communicated to the Bank by each Contributor at the time of the deposit of an Instrument of Contribution.

(c) Payments of a Qualified Contribution

Payments of instalments of a cash portion or a notes portion of a qualified contribution shall be made in accordance with paragraphs 6 (a) and (b) above unless such payments cannot be made because of the legislative practice of the Contributor. In such cases, payments shall be made within thirty (30) days after, and to the extent that, each such instalment has become unqualified.

(d) Payments of a Delayed Contribution

If any Contributor shall deposit a Contribution Agreement after the date when the first instalment shall be payable pursuant to paragraph 6 (a) above, payment of any instalment due up to the time of the deposit of the Contribution Agreement pursuant to the provisions of paragraph 6 (a) above shall be made within thirty (30) days after the date of the deposit of such agreement.

(e) Optional Arrangements

A Contributor, at its option, may:

- (i) pay its Contribution in fewer instalments or in larger portions or at earlier dates than those specified in paragraph 6 (a) above, or in agreement with the Bank accelerate encashment of the note portion or portions of a Contribution, provided that such payment or accelerated arrangements are no less favourable to the Bank;
- (ii) defer payment of its first instalment until Contribution Agreements for an aggregate amount equivalent to at least fifty percent (50%) of the total sum indicated in Part A of Schedule 1 to this Resolution have been deposited with the Bank; and
- (iii) in the second or a subsequent calendar year of the Contribution Cycle, provided it has paid all instalments for the preceding calendar year, defer payments of further instalments so long as there is in arrears an aggregate amount equivalent to at least fifty percent (50%) of the instalments payable by the other Contributors.

7. Currency of Payment

(a) Currency of Obligation

Each Contributor shall make its Contribution in the applicable currency of obligation specified in Part A of Schedule 1 to this Resolution or, in the case of an additional Contribution, in the currency of obligation agreed with the Bank.

(b) Acceptance by the Bank of another Currency

If a Contributor wishes to use a currency other than the currency of obligation for payment of any portion of its Contribution, the Bank, at its option, may accept such other currency and the amount of such other currency at the time of such payment shall be determined by the Bank applying, as far as practicable, the principles applicable to the valuation of currencies forming part of the Bank's Ordinary Capital Resources.

8. Meetings of Contributors

If, during the Contribution Cycle, delays in the making of any instalments cause or threaten to cause a suspension in the Bank's concessionary lending operations, or otherwise prevent substantial attainment of the goals of SDF 10, the Bank shall convene a meeting of the Contributors to review the situation and consider ways of obtaining the necessary instalments and, based on the recommendation of such a meeting, the Bank shall adopt such measures as considered necessary.

9. Use of SDF 10

Contributions made under this Resolution shall be used and administered in accordance with the Rules for the Special Development Fund (adopted May 1983) and the decisions and understandings contained in the Report of Contributors at Schedule 3 to this Resolution.

SCHEDULE 1

CONTRIBUTIONS TO THE SPECIAL DEVELOPMENT FUND (UNIFIED) - TENTH CYCLE

	Relative Share*	Contributions ¹	Unit of Obligation	Amount in Unit of Obligation	Notes
	%	(\$ '000)		('000)	
Trinidad and Tobago	5.13	11,291	USD	11,291	
Jamaica	5.90	12,984	USD	12,984	
Guyana	3.28	7,231	USD	7,231	
The Bahamas, Commonwealth of	3.28	7,231	USD	7,231	
Barbados	1.82	4,000	USD	4,000	
Suriname	3.28	7,231	USD	7,231	
Antigua and Barbuda	0.81	1,773	USD	1,773	
Belize	0.81	1,773	USD	1,773	
Dominica, Commonwealth of	0.81	1,773	USD	1,773	
Grenada	0.81	1,773	USD	1,773	
St. Kitts and Nevis	0.81	1,773	USD	1,773	
St. Lucia	0.81	1,773	USD	1,773	
St. Vincent and the Grenadines	0.81	1,773	USD	1,773	
Cayman Islands	0.35	778	USD	778	
Anguilla	0.35	778	USD	778	
Turks and Caicos Islands	0.35	778	USD	778	
British Virgin Islands	0.35	778	USD	778	
Montserrat	0.35	778	USD	778	
Haiti	0.53	1,163	USD	1,163	
<i>Sub-total</i>	30.62	67,432	USD	67,432	
Brazil	-	-	-	-	
Colombia	1.59	3,500	USD	3,500	
Mexico	1.62	3,567	USD	3,567	
Venezuela	1.62	3,567	USD	3,567	
<i>Sub-total</i>	4.83	10,634		10,634	
Canada	27.09	59,659	Canadian \$	81,411 ²	
United Kingdom	12.02	26,475	Pound Sterling	21,000 ³	
Germany	6.21	13,666	Euro	12,400 ⁴	
Italy	1.46	3,213	Euro	2,915 ⁴	
China, People's Republic of	3.23	7,107	RMB	50,000 ⁵	
<i>Sub-total</i>	50.01	110,120			
Agreed Contributions	85.47	188,186			
Structural Gap	14.53	32,004			
Total	100	220,190			

- Contributions are subject to Parliamentary/Congressional and Budgetary approval
- CDN\$1.3646 = \$1 - Average daily exchange rate for 6-month period ending June 30, 2020
- GBP1= \$1.2607 - Average daily exchange rate for 6-month period ending June 30, 2020
- Euro1= \$1.1021 - Average daily exchange rate for 6-month period ending June 30, 2020
- RMB ¥7.0353= \$1 - Average daily exchange rate for 6-month period ending June 30, 2020

SCHEDULE 2

INSTRUMENT OF CONTRIBUTION

(Insert)
(Office)
(Address of Signatory)

Your Ref. 35/2/9/5
Our Ref.

Date:

The Vice-President (Corporate Services) and Bank Secretary
Caribbean Development Bank
P.O. Box 408
Willey
St. Michael, BB11000
BARBADOS

Dear Madam:

I am pleased to inform you that (name of country), by means of this letter, agrees to contribute to the Special Development Fund (Unified) – Tenth Cycle (SDF 10) of the Caribbean Development Bank (CDB) an amount of United States dollars^{1/} (USD)^{1/} of which \$^{1/} will be in cash and the remainder in notes,^{2/} pursuant to and in accordance with the conditions contained in the Resolution of the Contributors to SDF 10 adopted at the Meeting of Contributors on

^{3/} Payment of the second and subsequent instalments of the Contribution is subject to budgetary appropriations and (name of country) hereby undertakes to seek the necessary appropriations in order to pay such instalments in accordance with paragraphs 6 (a) and (b) of the abovementioned Resolution and to notify CDB as soon as each such appropriation is obtained.

In the name and on behalf of (name of country), I declare that all the necessary legal requirements to assume this Instrument of Contribution have been fulfilled.

Yours faithfully,

4/

^{1/} To be deleted if currency of obligation is other than US dollars. Where there is another currency of obligation, such currency is to be inserted in place of the phrase "United States dollars (USD)".

^{2/} To be altered as appropriate.

^{3/} Applicable only if the Contribution is qualified.

^{4/} To be signed by the Governor of the member country on the Bank's Board of Governors except in the case of Anguilla, Virgin Islands, Cayman Islands, Montserrat and the Turks and Caicos Islands, and non-member contributing countries, when it should be signed by the proper authority of each such country.

SCHEDULE 3

CARIBBEAN DEVELOPMENT BANK



SPECIAL DEVELOPMENT FUND (UNIFIED)

**REDUCING POVERTY AND TRANSFORMING LIVES
THROUGH GREATER RESILIENCE**

REPORT OF CONTRIBUTORS ON SDF 10

FEBRUARY 12, 2021

ABBREVIATIONS

[Dollars through refer to United States dollars (USD) unless otherwise specified]

AgTech	-	Agricultural Technology
BMCs	-	Borrowing Member Countries
bn	-	billion
BNTF	-	Basic Needs Trust Fund
BOD	-	Board of Directors
CARICOM	-	Caribbean Community
CC	-	Climate Change
CCA	-	Climate Change Adaptation
CDB/the Bank	-	Caribbean Development Bank
CDEMA	-	Caribbean Disaster Emergency Management Agency
CDM	-	Comprehensive Disaster Management
CERC	-	Contingent Emergency Response Component
CIIF	-	Cultural and Creative Industries Innovation Fund
COVID-19	-	Novel Coronavirus
CRPD	-	Convention on the Rights of Persons with Disabilities
CRS	-	Climate Resilience Strategy
CSME	-	CARICOM Single Market and Economy
CTCS	-	Caribbean Technological Consultancy Services
DER	-	Development Effectiveness Review
DFIs	-	Development Finance Institutions
DiMSOG 2021	-	Disaster Management Strategy and Operating Guidelines 2021
DRM	-	Disaster Risk Management
DRR	-	Disaster Risk Reduction
ECPA	-	Enhanced Country Poverty Assessment
EE	-	Energy Efficiency
EIB	-	European Investment Bank
ESPS	-	Energy Sector Policy and Strategy
FAO	-	Food and Agriculture Organisation
FDI	-	Foreign Direct Investment
GBV	-	Gender-Based Violence
GDP	-	Gross Domestic Product
GE	-	Gender Equality
GEPOS	-	Gender Equality Policy and Operational Strategy
HCO	-	Haiti Country Office
HDI	-	Human Development Index
ICT	-	Information and Communications Technology
IDB	-	Inter-American Development Bank
IMF	-	International Monetary Fund
IRL	-	Immediate Response Loans
IT	-	Information Technology
LDCs	-	Less Developed Countries
MDB	-	Multilateral Development Bank
mn	-	million
MSMEs	-	Micro, Small and Medium-Sized Enterprises
MTR	-	Mid-Term Review

ABBREVIATIONS (Cont'd)

MVI	-	Multidimensional Vulnerability Index
OCR	-	Ordinary Capital Resources
PAHO	-	Pan-American Health Organisation
PCs	-	Participating Countries
PFM	-	Public Financial Management
PPPs	-	Public-Private Partnerships
PWD	-	Persons With Disabilities
RAS	-	Resource Allocation Strategy
RCI	-	Regional Cooperation and Integration
RE	-	Renewable Energy
RMF	-	Results Monitoring Framework
RPGs	-	Regional Public Goods
RRL	-	Rehabilitation and Reconstruction Loans
RSAP	-	Regional Strategic Action Plan
SDF (U)	-	Special Development Fund (Unified)
SDF 10	-	Special Development Fund (Tenth Cycle)
SDF 9	-	Special Development Fund (Ninth Cycle)
SDF	-	Special Development Fund
SDGs	-	Sustainable Development Goals
SEN	-	Special Education Needs
SIDS	-	Small Island Developing States
SPF	-	Social Protection Framework
TA	-	Technical Assistance
TAPOS	-	Technical Assistance Policy and Operational Strategy
TVET	-	Technical and Vocational Education and Training
UK	-	United Kingdom
USA	-	United States of America
WB	-	World Bank

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EXECUTIVE SUMMARY

1. The Special Development Fund (Unified) [SDF (U)] is a unique partnership among the members of the Caribbean Development Bank (CDB/the Bank), both borrowing and non-borrowing, all of which contribute to the resources of the Fund. SDF^{1/} is a key element in the aid architecture^{2/} for the Caribbean and in the role and operations of CDB for the benefit of its Borrowing Member Countries (BMCs). The Fund represents the principal pool of concessional resources available to the Bank and is usually replenished in four-year cycles. It has allowed the Bank to assist BMCs to more directly address issues of poverty and inequality, sustainable development, governance and capacity development, gender inequalities, environmental sustainability, climate change (CC), disaster risk management (DRM) and important work associated with regional cooperation and integration (RCI).

2. As the outcome document for the [SDF (Tenth Cycle) (SDF 10)] Replenishment Negotiations, this Report constitutes an agreement between the Bank and the Contributors, on the basis of which Contributors will provide new resources for the SDF 10 period, subject to monitoring and a Mid-Term Review (MTR). The undertakings by the Bank set out in this Report are critical elements of the agreement and are key to the successful implementation of SDF 10.

3. This SDF replenishment is framed against the background of the Novel Coronavirus (COVID-19) pandemic; a rapidly changing international environment characterised by rising geo-political uncertainty and growing protectionism as evidenced by the intensification of trade tensions between the United States of America (USA) and China, and a general increase in populism. Moreover, the recent COVID-19 pandemic has caused considerable global economic and social shock, with implications that have the potential to greatly undermine resilience-building efforts in the economic and social spheres.

4. *Contributors* noted that countries in the Caribbean region are among the most vulnerable in the world due to a range of underlying factors such as dependence on few major exports and trading partners; weak institutional capacities, high infrastructure costs, and, particularly, a high exposure to natural disaster events. CC and the increased frequency and intensity of natural hazard events threaten to undo much development progress in the Region. The impact of CC given BMCs' acute vulnerabilities, has been severe and in many instances, exposes and exacerbates the huge infrastructure gaps in the Region. Environmentally sustainable development and improving the capacity to cope with CC and disaster risks and impacts are therefore crucial to reducing poverty among the most vulnerable populations in BMCs.

5. *Contributors* endorsed the Bank's strategic approach to address these issues in the context of agreements concluded by the international community; and agreed that the SDF 10 strategy will be aligned with CDB's Strategic Plan 2020-24; and will take account of the findings and recommendations of the MTR of the SDF Ninth Cycle (SDF 9), the lessons learned from the Bank's experiences in implementing previous SDF cycles, and the unfinished business of SDF 9^{3/}.

6. *Contributors* commended the Bank for being at the vanguard of Multilateral Development Bank (MDB) action in seeking to be Paris aligned by June 2021.

^{1/}References to SDF in this Report are SDF (U) established in 1983.

^{2/} "Aid architecture" is a term used to refer to the set of rules and institutions governing aid flows to developing countries (*Aid Architecture: An Overview of the Main Trends in Official Development Assistance Flows*, WB Group, updated May 2008).

^{3/}The poverty agenda and building social, economic and environmental resilience have been identified as the key unfinished business that must continue to engage the Bank as its core mandate. (Strategic Plan 2020-24).

7. The overarching goal of SDF 10 will be to assist BMCs to reduce poverty and inequality, and to transform the lives of BMC citizens consistent with the Sustainable Development Goals (SDGs). Furthermore, *Contributors* agreed that the following themes will support and provide direction for SDF 10 operational programming:

- (a) **Building Social Resilience and Leaving No-one Behind**, including a focus on the Bank's core areas of comparative advantage, such as social infrastructure, education and training, and initiatives geared toward capacity building; as well as youth development; agriculture and rural development; and water and sanitation.
- (b) **Building Economic Resilience for Inclusive Growth**, including economic infrastructure; private sector development inclusive of micro, small and medium-sized enterprises (MSMEs); and support for blue economy initiatives.
- (c) **Building Environmental Resilience**, including environmental management, climate adaptation and mitigation, DRM and promoting sustainable energy [renewable energy (RE)/energy efficiency (EE)] solutions.

8. These themes will be supported by the cross-cutting areas of **gender equality (GE)**, **good governance, digitalisation**, and **RCI** which are also consistent with the Strategic Plan 2020-24.

Building Social Resilience and Leaving No One Behind

9. Building social resilience is integral to the core mandate of CDB, the sustainable development of BMCs and is also in keeping with ongoing development partnership commitments, including the fulfilment of the SDGs. *Contributors* expressed support for the initiatives proposed for the Basic Needs Trust Fund (BNTF) and for Haiti, particularly as they relate to education and training, agriculture and rural development, and sustainable energy. Guidance for the design and implementation of the various social sector initiatives in eligible BMCs will be provided by the respective Enhanced Country Poverty Assessments (ECPAs) and the Country Engagement Strategies and underpinned by the Adaptive Social Protection Framework (SPF).

Building Economic Resilience for Inclusive Growth

10. Economic resilience reflects the importance of BMCs' ability in the short term to limit the magnitude of production losses arising from an economic shock, and over the medium- to long-term, to recover from that set-back. Typically, BMCs are dependent on a few commodity exports and the tourism sector, which are sensitive to market changes and can create significant income volatility. In essence, high export concentration has severely compromised the resilience of the economies of CDB's BMCs. In contrast, other small states like Mauritius and Singapore, through economic diversification, are less susceptible to global economic shocks.

11. *Contributors* support the proposal to focus economic resilience measures on three principal areas:

- (a) improving access to credit and strengthening the regulatory environment for private sector development;
- (b) promoting MSME growth; and
- (c) expanding climate-resilient economic infrastructure.

Building Environmental Resilience

12. The need to build environmental resilience acknowledges the threat posed to the Region by CC, and is in support of measures advocated under SDGs 5, 7, 11, 13, and 17. *Contributors* agreed to support Disaster Risk Reduction (DRR), energy security and other measures to mitigate and adapt to the effects of CC on BMCs. Contributors strongly welcomed the intention of the Bank to adopt a target of between 25% and 30% of own resources to go towards climate adaptation and mitigation activities by 2024, alongside associated monitoring and reporting.

13. In addition, *Contributors* supported the thrust of the revised Disaster Management Strategy and Operational Guidelines (DiMSOG 2021) which focuses on a more integrated approach to the development, implementation and financing of DRR/CC work programmes of BMCs, to achieve tangible DRR and CC resilient outcomes. The Strategy acknowledges that natural hazards present one of the most serious threats to the sustainable development of the Caribbean. An estimated 14.5 million (mn) persons have been affected from 190 disaster events over the period 2000-2019. Direct physical damage in the 10 years to 2019, approached \$30 billion (bn). Of specific concern in BMCs, is the disproportionate impact natural disasters have on poor and vulnerable persons, who are less able to protect themselves and to adapt or recover from losses. Homes, livelihoods, incomes and survival are threatened by disaster and climate risks, with males and females experiencing differential impacts. The Strategy recognises that robust DRM efforts are needed to help countries sustain their poverty reduction advances.

14. DiMSOG 2021 highlights the need for increased concessional financing to incentivise BMCs to adopt a more proactive approach to DRM; facilitate enhancements to the Bank's disaster risk financing instruments for post-disaster early recovery and reconstruction; and promote regional approaches to DRR and Comprehensive Disaster Management (CDM) through closer work programme coordination with the Caribbean Disaster Emergency Management Agency (CDEMA). The Strategy also proposes that all BMCs be eligible for concessional resources given that they are all vulnerable to natural hazards and CC impacts.

Crosscutting Areas

Gender Equality

15. *Contributors* acknowledged the positive correlation between macro-economic development and GE as evidenced by differential earning opportunities between men and women. They encouraged the Bank to continue making GE a critical development priority. They also noted that the recently-approved Gender Equality Policy and Operational Strategy (GEPOS), commits GE as an intrinsic component of the Bank's development mandate and a critical aspect for advancing poverty reduction in the Caribbean. As such, *Contributors* supported the Bank's efforts to strengthen its focus on integrated approaches (gender mainstreaming), while also committing to explicit activities (gender-specific) that target the root causes and manifestations of gender inequalities through all its policy dialogues and operations.

16. *Contributors* supported the SDF 10 gender-targeted outcomes of:

- (a) ensuring equal access of males and females to water and sanitation, transportation, RE and EE, education and training, and infrastructure services;
- (b) providing equal access to industry training, business advisory and financial development services, labor market and training opportunities;
- (c) enhancing country systems to support victims and to reduce recidivism of perpetrators of gender-based violence (GBV); and

- (d) supporting equitable access to psychosocial support to adapt to CC, COVID-19, and to bounce back after disasters and pandemics.

17. They also noted that widespread GBV is an ongoing challenge in the Region. They encouraged CDB to provide continued support under SDF 10, to develop BMCs' capacities for data collection, as well as working on raising awareness and mitigating the risk of GBV in different sectors, e.g., by encouraging awareness of sexual exploitation and abuse for workers and contractors on CDB-financed projects.

Good Governance

18. Strong policies that are transparent and inclusive coupled with robust institutions lead to better long-term sustainable development outcomes. *Contributors* encouraged the Bank to make good governance a continuing priority for the Bank. They noted that the Bank's Governance Conceptual Framework and Strategy will be finalised in 2021, and will set clear guiding principles for the design of projects/programmes, and for governance-related discourses including: openness and transparency; accountability and integrity; equity and fairness; and civic engagement and public participation.

Digitalisation

19. The Bank addresses changes in its operating environment by periodically undertaking reforms of its various business processes. *Contributors* noted that to improve institutional resilience more broadly, the Bank will leverage its on-going Transformation Programme. The Programme is designed to increase operating efficiency by strengthening those processes that add value to operations, and importantly, is being facilitated by an aggressive digitalisation programme. They further noted that CDB had reviewed its business processes, both in the operational and corporate services areas, to rationalise workflow and eliminate waste in the process flow.

20. The Bank is committed to supporting the improvement and advancement of Information and Communications Technology (ICT) infrastructure and affordability in its BMCs. In this regard, digitalisation will be a key component of the rollout of SDF 10 programme. *Contributors* encouraged the Bank to support BMCs to close the digital divide, and to utilise its lending and non-lending services to deepen ICT development as an important growth enabler and to assist BMCs to improve their digital adoption index ranking^{4/}.

Regional Cooperation and Integration

21. Support for RCI remains a key priority for CDB, as it can play a critical role in accelerating economic growth, reducing poverty and economic disparity, raising productivity, and strengthening regional institutions. It has the potential to narrow development gaps between the More Developed and Less Developed Countries (LDCs) in the Bank's membership. It can do so by facilitating trade integration, the development of intra-regional supply chains and stronger financial links, and enabling slow-moving economies to accelerate their own expansion. *Contributors* noted that CDB had made significant strides in

^{4/}The digital adoption index is a worldwide index that measures countries' digital adoption across three dimensions of the economy: people, government, and business. The index covers 180 countries on a 0–1 scale, and emphasises the “supply-side” of digital adoption to maximise coverage and simplify theoretical linkages. The overall digital adoption index is the simple average of three sub-indexes. Each sub-index comprises technologies necessary for the respective agent to promote development in the digital era: increasing productivity and accelerating broad-based growth for business, expanding opportunities and improving welfare for people, and increasing the efficiency and accountability of service delivery for government. Originally constructed as part of the World Development Report 2016: Digital Dividends. Haiti is currently the lowest ranking BMC at 161st, while Trinidad and Tobago is the highest ranked at 64th.

RCI, particular in the area of trade facilitation, through, *inter alia*, its work in strengthening regional quality infrastructure and support for the development of an online interactive marketplace for the Region. *Contributors* welcomed continuing emphasis of RCI during SDF 10.

Technical Assistance

22. *Contributors* noted that Technical Assistance (TA) operations during SDF 10 will be guided by the TA Policy and Operational Strategy (TAPOS). They noted that overall supervision and management of TA grants has been reviewed as part of a general business process review, and new processes are being designed. Further, the Office of Independent Evaluation has undertaken an evaluation of the TA programme, which will inform the new processes, as well as any consequential revisions to TAPOS.

23. They agreed that SDF will continue, through its TA programme, to provide support to BMCs to improve national statistical systems, public financial and investment management systems, and results-based management, to promote greater efficiency in the management of public resources and improve evidence-based decision making. Moreover, its initiatives in this regard will focus on supporting BMCs' capacity for the design and appraisal of projects, as well as for project implementation.

Financial Resources and Programme Levels

24. Enhanced financial support for SDF is essential to enable SDF and the Bank to assist BMCs to more directly address issues of poverty and inequality, sustainable development, social protection, governance and capacity development, gender inequalities, environmental sustainability, CC, DRM, work associated with RCI, as well as to pursue the SDGs.

25. *Contributors* agreed on an overall programme level for SDF 10 of \$383 mn, to be financed from internally-generated resources within SDF of \$162.8 mn, and agreed contributions of \$188.2 mn, with an unallocated structural gap of \$32.0 mn. Contributions to the latter will be sought from prospective members and Contributors. The Bank will pursue opportunities for blending SDF 10 and non-concessionary resources, which will catalyse additional investment in targeted areas.

Proposed Results Monitoring Framework for SDF 10

26. The Results Monitoring Framework (RMF) for SDF 10 is designed to support the implementation of SDF 10 and is aligned with the structure and content of the Bank's Corporate RMF, which is used for monitoring and reporting on the implementation of CDB's Strategic Plan 2020-24. This approach has been adopted by CDB under previous SDF cycles as a large portion (over 80%) of its interventions is financed by a blend of SDF, Ordinary Capital Resources (OCR) and Other Special Funds resources. Hence, the outputs and outcomes of the Bank's interventions represent the joint contributions of these three funds to the results achieved. This prevents duplication of efforts and allows CDB to invest more of its resources on increasing the quality of performance monitoring and reporting. However, *Contributors* expressed their desire that the unique outputs and outcomes of SDF interventions be monitored and reported on whenever appropriate and without compromising the effectiveness of the overall results monitoring and reporting system.

27. Progress on the Bank's SDF 10 operations will be monitored and tracked at three levels (Levels 1-3) in the SDF 10 RMF. SDF 10 indicators are specific to expected development results in SDF Group 2 and 3 countries and to programmes and projects which are wholly or partly funded by the SDF. The SDF 10 RMF, which is distilled from the Bank's corporate RMF, is supported by data and information from various project cycle management tools, resource documents and information systems. Indicators at

Level 4, which address the overall efficiency of the Bank, will be tracked and monitored in the corporate RMF and assessed in the annual Development Effectiveness Review (DER).

Implementation of SDF 10

28. *Contributors* and the Bank agreed to an Implementation Plan for SDF 10, which provides a basis for monitoring key milestones in the implementation process. The Implementation Plan is structured in terms of the agreed themes and cross-cutting areas with monitoring indicators and target timeframes/dates in each case. They also agreed to monitor progress in implementing the agreed SDF 10 framework, including an MTR during the course of SDF 10.

1. INTRODUCTION

1.01 The SDF (U) is a unique partnership among the members of CDB, both borrowing and non-borrowing, all of which contribute to the resources of the Fund. SDF^{5/} is a key element in the aid architecture^{6/} for the Caribbean and in the role and operations of CDB for the benefit of its BMCs. The Fund represents the principal pool of concessional resources available to the Bank and is usually replenished in four-year cycles.

1.02 It has allowed the Bank to assist BMCs to more directly address issues of poverty and inequality, sustainable development, governance and capacity development, gender inequalities, environmental sustainability, CC, DRM and important work associated with the RCI project.

1.03 *Contributors* noted that SDF 9 ends on December 31, 2020, when it is expected that the resources pledged by Contributors for that cycle would be fully committed. In planning for the continuation of the unfinished SDF agenda^{7/}, as well as for programming the new cycle, Contributors to the SDF (U) met in a series of four virtual negotiation meetings to discuss a number of documents and reports, to evaluate progress in various areas, to set out proposed operational directions, and to assess resource requirements (refer to Appendix 1 – List of Meetings Held and Documents Reviewed by Contributors) for implementing the SDF 10 programme.

1.04 *Contributors* supported the context in which the strategic approach was being developed, and welcomed the alignment of the SDF 10 strategic focus and themes with CDB's Strategic Plan 2020-24. They also welcomed that the approach took into account the findings and recommendations of the MTR of SDF 9, as well as the lessons learned from the Bank's experiences in implementing previous SDF cycles, as well as the unfinished business of SDF 9.

1.05 *Contributors* noted that BMCs' vulnerabilities were being exacerbated by the impact of the COVID-19 pandemic. They welcomed the Bank's response to the pandemic by programming SDF 9 uncommitted resources consistent with the SDF priority mandate of reducing poverty and inequality in BMCs. This mandate is consistent with SDG 1. In this regard, *Contributors* expressed concern about the slow progress towards meeting the SDG targets and urged a more robust approach to reducing the high poverty rates in BMCs.

1.06 In setting out the framework for SDF 10, *Contributors* and the Bank agreed on three strategic themes for SDF 10. These are:

- (a) Building Social Resilience and Leaving No-one Behind;
- (b) Building Economic Resilience for inclusive growth; and
- (c) Building Environmental Resilience.

^{5/}References to SDF in this Report are to the SDF (U) established in 1983.

^{6/}Aid architecture" is a term used to refer to the set of rules and institutions governing aid flows to developing countries (*Aid Architecture: An Overview of the Main Trends in Official Development Assistance Flows*, WB Group, updated May 2008).

^{7/}The poverty agenda and building social, economic and environmental resilience have been identified as the key unfinished business that must continue to engage the Bank as its core mandate. (Strategic Plan 2020-24).

1.07 *Contributors* also agreed on GE as a major crosscutting area together with Good Governance, Digitalisation, and RCI. Both the themes and crosscutting areas are aligned with the objectives and crosscutting areas of CDB's Strategic Plan 2020-24.

1.08 *Contributors* noted that the MTR Consultants had concluded that CDB and the SDF continued to play a significant role in the Region's aid architecture, and remains highly relevant to BMCs' development efforts particularly with regards to the pursuit of the SDGs. At the same time, the MTR emphasised that attention should be paid to a number of issues which have hindered the development effectiveness and efficiency of CDB/SDF efforts. These issues were identified as slow approval and procurement processes, inadequate levels of responsiveness and lack of country-specific focal points to assist BMCs in navigating procedures required for project design, application and approval. The Bank's Transformation Programme seeks to address these issues.

1.09 *Contributors* acknowledged the Bank's efforts to strengthen its capacity and effectiveness through various measures including those set out in the Transformation Programme now being implemented. However, they cautioned that the programme itself was not a panacea for all the efficiency and effectiveness issues and requested periodic reports on the progress of implementation of these proposals.

1.10 *BMC Contributors* in particular underlined the importance of the leadership role of the Bank/SDF in assisting BMCs to meet the critical challenges they are facing, and which are being accentuated by the current global pandemic and economic crisis. *They* further underscored the need for a significantly expanded SDF to support the Bank's role during the SDF 10 period.

1.11 As the outcome document for the SDF 10 Replenishment Negotiations, this Report constitutes an agreement between the Bank and the *Contributors*, on the basis of which *Contributors* will provide new resources for the SDF 10 period, subject to monitoring and an MTR. The undertakings by the Bank set out in this Report are critical elements of the agreement and key to the successful implementation of SDF 10.

1.12 The Report consists of five further chapters. Chapter 2 reviews the development context and key challenges that Contributors have taken into account in assessing the need for SDF 10. Chapter 3 sets out the agreed strategic approach and the key priorities for SDF 10. Chapter 4 provides the framework for the provision of financial resources and the setting of programme levels. Chapter 5 outlines the elements of the development effectiveness agenda, and a final chapter sets out the implementation plan and the basis for monitoring implementation.

2. DEVELOPMENT CONTEXT AND KEY CHALLENGES

The International Context

2.01 The SDF 10 programme is framed against the background of the considerable global social and economic shock of the COVID-19 pandemic; a rapidly changing international environment characterised by rising geo-political uncertainty and growing protectionism, as evidenced by the escalation of trade tensions between the USA and China, and a general increase in populism. Bilateral trade between the two largest economies in the world has plummeted, with significant disruptions to international supply chains. As a consequence of all these factors, global risks have become more pronounced.

2.02 The pandemic represents the largest economic shock experienced by the global economy in decades. Trade and investment levels are expected to plummet in 2020. The World Trade Organisation is projecting that trade could fall by 32%, while the United Nations Conference on Trade and Development estimates that foreign direct investment (FDI) flows could decline by as much as 40% in 2020. The World Bank (WB) Global Economic Prospects for June 2020, suggests strong potential for a global recession in 2019/2020, due primarily to rising debt levels and economic slowdowns across the USA, China, the United Kingdom (UK) and the Eurozone. Its baseline forecast envisions a 5.2% contraction in global Gross

Domestic Product (GDP) in 2020 despite unprecedented policy support. The document further suggests that emerging market and developing economies are particularly vulnerable, and need to pursue decisive reforms to bolster governance and business climates, improve tax policy, promote trade integration, and rekindle growth while protecting vulnerable groups, as a means of achieving inclusive and sustainable development.

2.03 The impact of COVID-19 on global supply chains prompted the Caribbean Community (CARICOM) countries to strengthen their focus on increasing intra-regional trade. However, there was a recognition that some issues related to trade information systems, logistics infrastructure, air and maritime connectivity, climate smart agro-technology and the environment for doing business had to be addressed. Additionally, with FDI flows receding, development resources for these investments will become scarcer. Consequently, SDF resources will become even more important for BMCs development efforts.

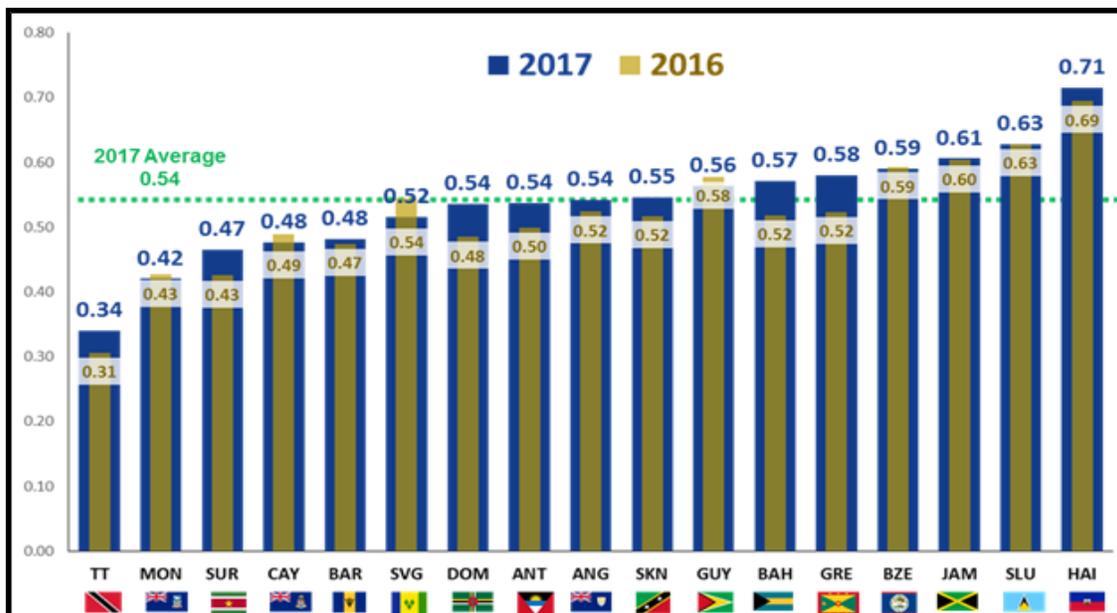
2.04 *Contributors* noted the impact of COVID-19 on poor and vulnerable persons and communities, and agreed on the importance of enhancing and continuing SDF support for efforts to reduce poverty and inequality in the context of the selected SDGs (refer to Appendix 2 – Selected SDGs, Targets and Means of Achievement), as well as to build social, economic and environmental resilience, support GE, promote good governance, digitalisation and RCI.

Regional Macroeconomic and Social Context

Economic, Social and Environmental Vulnerability

2.05 BMCs are characterised by high levels of vulnerability to CC, natural hazard events, economic shocks, and pandemics which stymie their social and economic development. *Contributors* noted the Paper, *Measuring Vulnerability: A Multidimensional Vulnerability Index (MVI) for the Caribbean*, which provides a quantitative measurement and qualitative assessment of the relative economic, social and environmental vulnerabilities of its BMCs. Among the main findings are that BMCs, on average, can be considered medium-to-high vulnerability countries with an average vulnerability index score of 0.54 for 2017, compared with 0.52 for 2016 (see Figure 1).

FIGURE 1: MVI – BMCs 2016 AND 2017



2.06 The MVI index is a reflection of the extent of:

- (a) trade openness;
- (b) dependence on a narrow range of exports and trading partners;
- (c) dependence on the imports of energy and energy-related products;
- (d) social challenges such as crime; and
- (e) exposure to natural hazards and CC.

2.07 The study also revealed that, in general, tourism-based economies appear to be more vulnerable than commodity-based economies which themselves face unique challenges related to sharp booms, cycles, and structural inequality.

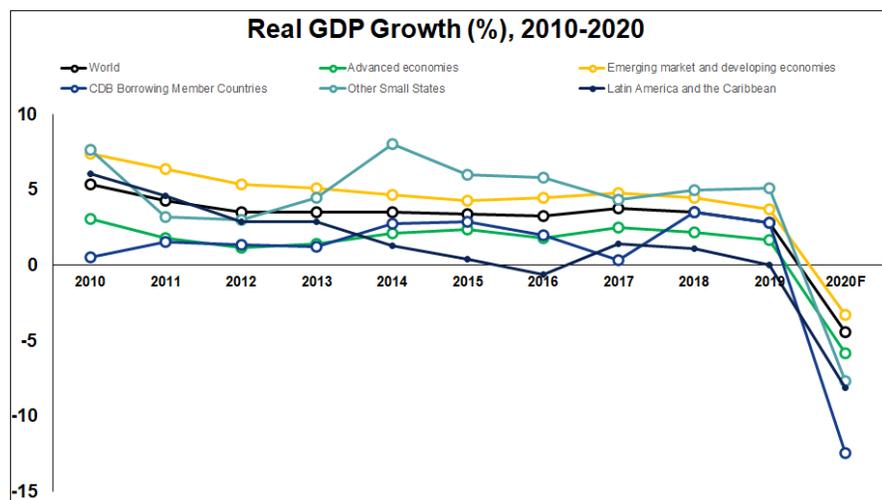
2.08 *Contributors* noted the strategic approach to addressing these vulnerability issues that was being developed in the context of agreements concluded by the international community, including the Bank and its non-borrowing and BMCs, and which are detailed in the following development frameworks:

- SDGs;
- Paris Agreement on CC 2015;
- The 23rd Session of the Conference of Parties to the United Nations Framework on CC;
- SAMOA Pathways;
- Sendai Framework for DRR; and
- Forum for Financing for Development (Addis Ababa Action Agenda).

Low Growth and High Debt

2.09 Sustained economic growth and social progress are becoming increasingly challenging in many BMCs, as reflected in slippage in the rankings in key global performance indicators. Prior to the pandemic, some BMCs had begun to report a strengthening of economic growth from the weak growth momentum presented by most for many years after the difficult period of the Great Recession (2008-2010). In the 5-year period prior to 2020, seven of nineteen BMCs registered GDP growth that averaged in excess of 3%, while all others recorded lower performances of under 2%. The average economic growth in BMCs during 2015-2019, was 2.3% and has trailed other Small Island Developing States (SIDS), which grew by 5.5% (see Chart 1 – Selected GDP Outturns below). Growth in BMCs remains constrained by low global growth, low investment, slow productivity growth, a weak business climate, infrastructure gaps, low quality education outcomes, vulnerabilities to natural hazard events and exogenous shocks and high public debt).

CHART 1: SELECTED GDP OUTTURNS



2.10 The pandemic has severely compromised economic conditions and is projected to result in a deep economic decline averaging 12.4% in 2020. Most BMCs are heavily dependent on the tourism sector for foreign exchange earnings, income and employment, and the sudden stop in the travel industry, as a result of the COVID-19 pandemic has had a profound impact on these economies. Other sectors including manufacturing, wholesale, retail and construction, were adversely affected by border closures, shutdowns and physical distancing imposed to slow the spread of the virus and flatten the infection curve. Commodity-based economies are also facing depressed prices for their exports, as well as a slump in domestic demand.

2.11 Increasing fiscal pressures and mounting public debt, which hamper the delivery of services and social goods, have become key features across many BMCs, adding to the urgency to reignite growth. Weak fiscal performances coupled with deteriorating external positions, have resulted in an acute buildup of public debt. In 2019, public debt, though decreasing in over half of the BMCs, remains high with a regional median of 67.5% of GDP. This high debt burden has limited critical investment spending and compromised long-term economic prospects. Resulting negative secondary effects include continuing high unemployment (particularly among the youth) and underemployment, increased incidences of crime, emigration of skilled labor and a stubbornly high level of poverty.

2.12 A high level of new borrowing by BMCs in 2020 to mitigate the impacts of the pandemic has increased debt vulnerabilities and sharpened the focus on the issue of debt sustainability. A number of countries are assessed to be at elevated levels of debt distress and debt sustainability efforts to address these concerns over the medium term, will need to be supported by enhanced public debt management and transparency, and the adoption of revised fiscal frameworks to help make the public budget more resilient and fiscally sustainable. Governments are actively working to mitigate the risks to debt and fiscal sustainability through, *inter alia*, fiscal and Public Financial Management (PFM) reform and the introduction of fiscal rules and fiscal buffers. Going forward, Governments will also need to borrow judiciously, and adopt sustainable financing approaches and practices, favoring access to new concessional resources at grant elements of at least 35%. *Contributors* welcomed CDB's consideration to amend lending rates and tenors applicable in SDF 10 in order to maintain the competitiveness and relevance of the SDF.

2.13 *Contributors* noted that the pandemic has affected every aspect of Caribbean life. It has altered family structures; decimated productive sector activities; disrupted the provision of education; exacerbated gender and income inequalities; and disproportionately affected poor and vulnerable persons in BMC societies. Its adverse impact on public finances threatens to reverse the gains that many BMCs had made towards better debt dynamics and higher economic growth.

2.14 *Contributors* urged the Bank to respond in a credible manner while balancing the short-term needs of BMCs for budget and liquidity support with their intermediate and longer-term development goals. *They* further stressed that the Bank must manage its operations so that it emerges in a post-COVID-19 environment capable of delivering on its development mandate of reducing poverty and inequality.

2.15 The macroeconomic stresses have led to a jump in unemployment with the expectation of higher levels of poverty and other social deprivations. The social implications of the pandemic are also expected to be significant and have the potential to greatly undermine social and economic resilience-building efforts. Issues of multi-dimensional poverty (living standards, health and education), violence against women and girls, child abuse and citizens security are being amplified based on reports from a number of development institutions^{8/} working 'on the ground' in BMCs. The already high prevalence rate of violence against women in BMCs is being exacerbated by COVID-19, as a result of an increased lack of access to support services due to the lockdowns and social distancing measures.

^{8/}United Nations Women, Pan-American Health Organisation (PAHO), Red Cross

2.16 Anecdotal evidence suggests that the relatively benign growth has begun to undermine human development gains in the Caribbean region. An examination of country performance in the Human Development Index (HDI) indicates that the HDI score of almost all BMCs deteriorated between the period 2009 and 2019⁹. Additionally, the declines in rank range from as high as 27 for Antigua and Barbuda, which fell from a ranking of 47 in 2009 to 74 (of 189 countries) in 2019, to a fall-off of one place in the case of Suriname (which fell from a ranking of 97 to 98 over the referenced period). Only Jamaica and Trinidad and Tobago improved their ranking moving from 100 to 96, and from 64 to 63 respectively (see Table 1 - BMCs HDI Ranking 2009, 2018 and 2019). The deterioration in the HDI ranking reinforces the fact that Caribbean countries are falling behind other SIDS both in terms of macroeconomic and socio-economic trends, and suggests that critical policy action is required in order to improve the development trajectory.

TABLE 1: BMCs' HDI RANKING 2009, 2018 AND 2019

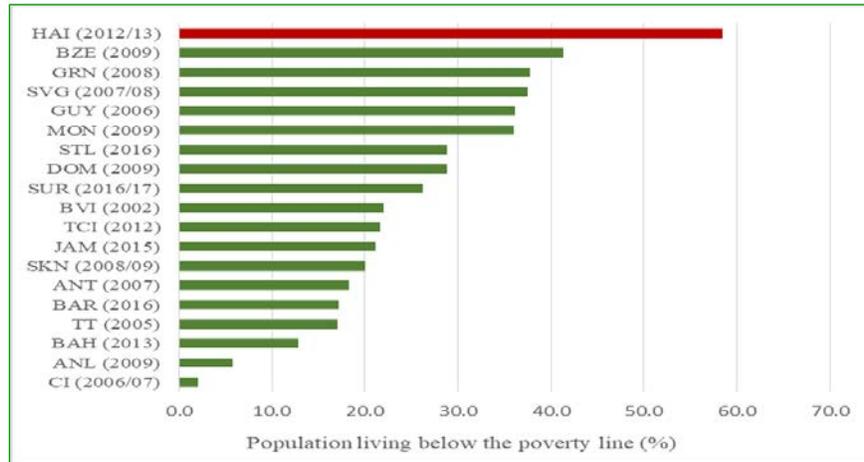
Country	2019 HDI	2019 Rank	2018 HDI	2018 Rank	2009 Rank	Change In HDI Rank
Antigua and Barbuda	.776	74	.780	70	47	-27
Bahamas	.805	60	.807	54	52	-8
Barbados	.813	56	.800	58	37	-19
Belize	.720	103	.708	106	93	-10
Dominica	.724	98	.715	103	73	-25
Grenada	.763	78	.772	75	74	-4
Guyana	.670	123	.654	125	114	-9
Haiti	.503	169	.498	168	149	-20
Jamaica	.726	96	.732	97	100	4
St. Kitts and Nevis	.777	73	.778	72	62	-11
Saint Lucia	.745	89	.747	90	69	-20
St. Vincent and the Grenadines	.728	94	.723	99	91	-3
Suriname	.724	98	.720	100	97	-1
Trinidad and Tobago	.799	63	.784	69	64	1

Stubborn and Persistent Poverty and Inequality

2.17 With support from CDB and other development partners, consistent efforts have been made over the past two decades to reduce poverty and inequality in BMCs but with mixed results. High rates of poverty and inequality remain as pressing development challenges, with one in five persons still living in poverty (refer to Table 2 – Population Living below the Poverty Line). *Contributors* expressed appreciation for the SDF's efforts to maintain poverty reduction as its top priority but remain concerned about the likelihood of achieving the goal of ending extreme poverty by 2030 which is also the number one priority of the SDGs.

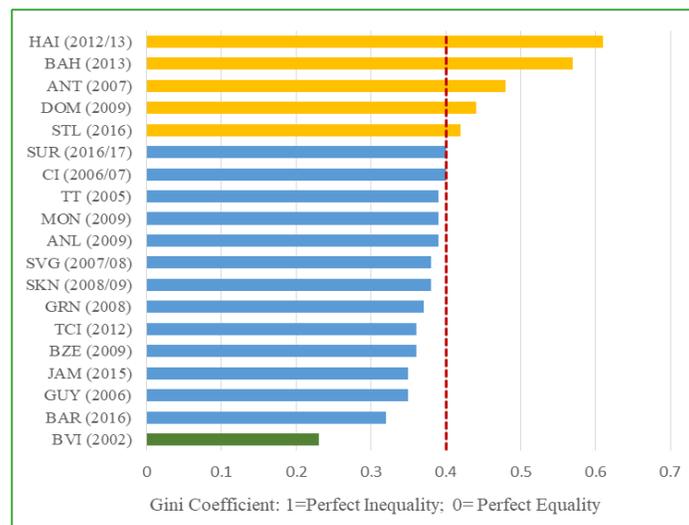
⁹The British Overseas Territories of Anguilla, Cayman Islands, Virgin Islands, Montserrat and Turks and Caicos Islands are not ranked in the HDI.

TABLE 2: POPULATION LIVING BELOW THE POVERTY LINE
 (%)



2.18 The Bank/SDF has supported country-level and community-focused efforts to improve access by the poor to critical services and assets. These include SDF-funded programmes in Haiti and in the BNTF initiatives in the nine participating BMCs. Data at Table 3 – Gini Coefficients, tend to point to reductions in inequality through improved access to basic services including education and health, although gender disparities still persist on account of norms and cultural idiosyncrasies. At the same time, the multi-dimensional nature of poverty and the acute vulnerabilities faced by many BMCs suggest that some of the SDG poverty targets might not be achieved in the face of frequent natural hazard events during the last decade^{10/}.

TABLE 3: GINI COEFFECIENTS



^{10/}Aggregated Caribbean data ending 2014 indicates that the proportion of the population in poverty was still in excess of 40% (at 44.1% including Haiti) and in excess of 20% (at 21.1% excluding Haiti). With regards to the proportion of the Caribbean population below the indigence line (food poverty), this stood at 22.4%, including Haiti, and 11.1% excluding Haiti. In many respects, poverty is multidimensional and is caused and sustained by multiple crosscutting deprivations and vulnerabilities. In addition, there is some degree of uneven incomes distribution as captured by Gini Coefficients. CDB’s regional study on poverty assesses that the main drivers of poverty across the Caribbean include “large number of young children; female-headed households; unemployment; poor educational outcomes; lack of decent job; disability; poor living conditions/housing quality; non-receipt of remittances; and lack of adequate pensions” (CDB 2016, p.106).

2.19 The impact of COVID-19 has also put tremendous stress on social protection systems that were already challenged to respond to the needs of the poor and vulnerable in BMCs. The widespread disruption of livelihood strategies, remittance flows, the creative industries, as well as social safety nets has also significantly affected the primary sources of household income and consumption. In addition to the working poor, increasing unemployment has the propensity to create a class of ‘new poor’ and exacerbate existing sub-standard socio-economic conditions for the most vulnerable in society, particularly single parents and low-income matri-focal households with high dependency burdens, and persons with disabilities (PWDs), as well as children, unemployed youth, and the elderly. These impacts will increase mental health and psycho-social stresses of the population, including caregivers in the private/domestic sphere, and workers on the front lines providing a range of health and other essential services.

2.20 This situation is exacerbated by countries’ weak recovery capacity. The multi-faceted impacts of the current unprecedented economic and social crisis have shown that if a comprehensive social protection system, including income protection and safety net programmes is not in place, with adequate sustainable financing and partnerships, large segments of BMCs’ population remain vulnerable to poverty and diminished quality of life and well-being.

2.21 The imperative of building the coping, adaptive and transformative resilience capacities of countries generally, and local communities in particular, has become more urgent. *Contributors* welcomed the consideration of an Adaptive SPF as part of the measures for addressing the socio-economic issues exacerbated by the pandemic, and for responding to the impacts of natural hazard events in BMCs. These measures will tackle poverty, gender disparities and inequality; unemployment especially among the youth; improving access to inclusive and equitable education; inadequate social protection; access to quality health and social care; and the provision of equal opportunities particularly for PWD consistent with the principle of ‘No-one left Behind’.

Environmental Sustainability, Climate Change and Disaster Risk Management

2.22 Natural hazard related disaster risks present one of the most serious threats to the sustainable development of the Caribbean. Due to location, geomorphology, and socio-economic characteristics, the Caribbean is vulnerable to many hydro-meteorological (hurricanes, tropical storms, storm surges, flooding, and drought) and geological (earthquakes, volcanoes, landslides, and tsunamis) hazards.

2.23 From 2000 to 2019, the BMCs experienced 190 natural disaster events^{11/} directly affecting approximately 14.5 million persons, and resulting in 238,000 deaths. An estimated 220,000 of these deaths occurred during the catastrophic Haiti Earthquake in 2010. However, the most consistent cause of extreme damage and loss, displacement and loss of life in the Region during the period was hydro-meteorological events (floods, hurricanes, severe weather systems). Direct physical damage reported for the 2009-2019 period totalled \$30 bn (refer to Appendix 3 – Estimated Loss from Natural Disaster Events by Country 2009-2019). Based on existing empirical evidence, the poor and socially vulnerable are disproportionately affected due to their relatively higher sensitivity and lower ability to cope and recover from disaster events.

2.24 Hurricanes are of particular concern to BMCs. They have a high probability of annual occurrence; can trigger other indirect hazards such as floods; and a single hurricane event can cause multi-state devastation. The 2017 Atlantic hurricane season was particularly devastating for the Region, with 17 tropical storms, 10 of which developed into hurricanes. Two of these storms reached category 5 strength

^{11/}SDF Discussion paper: SDF 10 Replenishment Negotiations: Themes, Issues and Timelines, December 2019.

resulting in 65 deaths and destruction of 90% of the island's structures^{12/} in Dominica (Hurricane Maria)^{13/} and losses greater than 50% of GDP in three BMCs -Turks and Caicos, Virgin Islands and Anguilla (Hurricane Irma). In September 2019, Hurricane Dorian, one of 18 named storms for that year, and the strongest hurricane on record, devastated The Bahamas. Dorian resulted in estimated damage and loss of \$3.22 bn^{14/}, or 25% of national GDP (2019). In the case of Abaco, the impact was estimated at 7.1% of its GDP, and for Grand Bahama, the impact was 1.9% of GDP.

2.25 Climatic variability and CC are widely recognised as factors that exacerbate poverty, particularly in areas where poverty levels are already high. CC-triggered impacts often compound other poverty drivers. For instance, many vulnerable and poor people are dependent on agriculture and other activities that are highly susceptible to temperature changes and variability in precipitation patterns. As such, even modest changes in rainfall and temperature patterns can push marginalised people into poverty. Extreme events, such as floods, droughts, and heat waves, especially when they occur in series, can significantly erode poor people's assets and further undermine their livelihoods and compromise their welfare^{15/}.

2.26 In the Caribbean, coastal population density has grown in recent decades with the majority of the population living within 10 kilometres of the coast^{16/}. Approximately 14.5% of the population live in low-elevation coastal zones, less than 10 metres above sea level^{17/}. This coastal concentration of the population exposes significant numbers of the population to the impact of natural hazards in the Region and put high value economic assets, particularly in the tourism and transport sectors at risk.

2.27 The mounting loss and damage from natural disasters require that CDB urgently scale-up its support for environmental management, DRR and CC adaptation (CCA) and mitigation, consistent with its poverty reduction and sustainable development objective. *Contributors* supported the proposal to use the revised DiMSOG 2021 and the Bank's Climate Resilience Strategy (CRS) to guide programming in this area.

3. STRATEGIC APPROACH TO SDF 10

3.01 The Bank's Strategic Plan 2020-24 provides the guidepost for the SDF 10 strategy, which recognises the need for continuity of some of the approaches adopted during SDF 9, if only to address the unfinished business of that cycle, as well as SDF in general. *Contributors and the Bank* agreed on three core themes and four crosscutting areas for SDF 10, within which selected programme areas and specific objectives would be identified, consistent with individual country engagement strategies, as well as the Bank's experience, comparative advantage, and operational and financial capacities. The themes and crosscutting areas are consistent with the Bank's Mission and Objectives of its 2020-24 Strategic Plan.

3.02 *Contributors* noted the negative impacts of COVID-19 and the increased risk of setbacks in the progress made by BMCs to transform their economies and to improve resilience to various vulnerabilities.

^{12/}<https://www.smithsonianmag.com/history/bahamas-and-caribbean-have-withstood-hurricanes-centuries-180973157/>

^{13/} Total losses and damage were estimated at \$930.9 mn and losses of \$380.2 mn, representing 270% of Dominica's 2016 GDP and Reconstruction and resilience building costs were estimated at \$1.37 bn.

^{14/}The Assessment of the Effects and Impacts of Hurricane Dorian in The Bahamas: 2019; United Nations Economic Commission for Latin America and the Caribbean/Inter-American Development Bank (IDB).

^{15/}See 2018 'Summary for Policymakers of IPCC Special Report on Global Warming'.

^{16/}WB (2016), 'Toward a Blue Economy: A promise for Sustainable Growth in the Caribbean'.

^{17/} IDB (2017), 'A Blue Urban Agenda: Adapting to Climate Change in Coastal Cities in the Caribbean and Pacific SIDS'.

They agreed that SDF response to BMCs' needs would be limited to the sectors/areas in which the Bank has a clear comparative advantage; the priorities adopted by BMCs in the face of the COVID-19 impacts; and the available resources. Furthermore, SDF 10 programming would support BMCs' efforts to achieve the SDGs and in particular, SDGs 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16 and 17.

Comparative Advantage and the Role of the SDF

3.03 *Contributors* attached major importance to the comparative advantage of SDF and the Bank's role in the Region's aid landscape in assessing the scope, scale, and focus of SDF 10.

3.04 *Contributors* recognised that an important element in CDB's comparative advantage continued to be its close relationship with BMCs and its understanding of the problems and dynamics of the Region. In this regard, the Bank, in partnership with other development agencies, has been conducting and sponsoring robust research into the Region's key development issues, as well as, offering thought leadership, insights and recommendations on alternative solutions (refer to Box 1 – List of Research Conducted/Supported by CDB/SDF).

BOX 1: LIST OF RESEARCH CONDUCTED/SUPPORTED BY CDB/SDF

- A Blueprint for Growth CDB (2017).
- A Caribbean in Transition: Navigating the Changing Regional Energy Environment (On-going).
- Financing the Blue Economy: A Caribbean Development Opportunity (CDB 2018).
- Measuring the Vulnerability and Resilience Nexus (CDB 2019).
- MSME Development in the Caribbean: Towards a New Frontier (2016).
- Regional Strategic Action Plan for the Water Sector in the Caribbean (RSAP, 2018) (jointly with Caribbean Waste and Wastewater Association, and IDB).
- Study on the State of Agriculture in the Caribbean [jointly with the Food and Agriculture Organisation (FAO)] (2019).
- The Changing Nature of Poverty and Inequality in the Caribbean New Issues New Solutions (2016).
- Towards Greater Efficiency: The Transformation of the Caribbean Maritime Port Services Industry (2016).
- Transport Sector Study (On-going).
- Urban Sector Assessment (On-going).

3.05 Its exclusive focus on the Caribbean and closeness to its BMCs gives the Bank a special role in relation to RCI and to the strengthening of governance and the institutions of civil society, as well as a high acceptability as a partner in poverty reduction programmes at the community level. Relatively easy access of Bank personnel to policymakers and administrators, as well as the institutions of civil society; and the ownership and confidence that BMC governments have in their own regional institution, are features which position the Bank to encourage and convene constructive dialogue on key regional development issues.

3.06 Through the BNTF, the Bank has gained more than 35 years' experience in the design and delivery of community-based programmes targeted at the poor. In particular BNTF has developed a proficiency in providing a range of programming of direct relevance to the poor, including rural development, basic housing, early childhood education, environmental planning, strengthening of small and medium-sized private business enterprises, and small-scale credit. Considerable work has been done by the Bank on the policy and institutional elements that are essential for strengthening pro-poor governance, including preparation of critically important ECPAs and development of National Poverty Reduction Strategies.

3.07 The Bank's particular experience in working with its BMCs extends to institutional strengthening of development finance institutions (DFIs), the strengthening of the operational and technical capacities of public utilities, and economic and fiscal management, programme delivery and institutional strengthening, as well as in economic infrastructure projects.

3.08 CDB has worked closely and has well-entrenched relationships with many development agencies^{18/}. It has played a partnership and work-sharing role in various coordination, harmonisation and alignment efforts, including in the social sectors, where a large number of donors are active.

3.09 The Bank has long-standing and mutually supportive relationships with other Caribbean institutions and agencies, including those of CARICOM and the Organisation of Eastern Caribbean States. It played a major role in helping BMCs to establish the Caribbean Court of Justice, which is an essential element of the CARICOM Single Market and Economy (CSME). CDB is also an important partner of agencies such as the Caribbean Centre for Technical Assistance.

3.10 The role of the Bank and SDF in the aid architecture for the Caribbean follows from these comparative advantages. *Contributors recognised* the Bank as the most important regional development institution in the Caribbean, with a broad development mandate, and well-placed as a focal point for dialogue, intermediation and extended partnerships on behalf of the BMCs, and for the strengthening of regional ownership of development programmes. *BMC Contributors*, in particular, underscored the importance of the leadership role of the Bank in assisting BMCs to meet critical challenges.

3.11 Ownership is expressed, in the context of SDF, by the significant contributions that all of the BMCs, even the most disadvantaged, have made to successive replenishments of the Fund. It is also reflected in the role the Bank has been playing in supporting BMCs, their efforts to achieve the SDGs and their other development priorities. This is a role that *Contributors* welcomed and encouraged the Bank to continue.

3.12 Resource mobilisation and increasing the quantum of concessionary financing available to its borrowing membership are key components in improving the responsiveness of the Bank to the needs of BMCs. With the essential support of the SDF, the Bank has played a special role in providing an effective channel for a number of development partners to provide financial assistance to the Caribbean, while avoiding the complexities of multi-aid channels with the associated high transaction costs, as well as the fragmentation of donor-funded activities. Through the demonstrated effectiveness of the SDF programme and administrative arrangements, the Bank has been able to attract additional concessional resources, both through direct borrowings and/or fund management agreements and hence broaden the availability of investment and concessionary resources to its borrowing clients.

3.13 In the 2019 consultations leading up to the development of the 2020–24 Strategic Plan, stakeholders agreed that the Bank continued to be highly relevant but needed to give increased emphasis to:

- (a) vulnerability and resilience;
- (b) private sector development;
- (c) reducing relative poverty;
- (d) expanding CDB's leadership in research;
- (e) expanding the scope and reach of the Bank; and
- (f) improving responsiveness to client needs.

3.14 The Bank's Transformation Programme, with one of its central pillars being increased client engagement, seeks to address some of these issues, and is already well underway. The Bank has begun to leverage technology and commenced reorganisation of some of its key operations to add value to its

^{18/}These include IDB, WB, European Investment Bank (EIB), European Union, United Nations Development Programme, International Fund for Agricultural Development, PAHO, FAO of the United Nations, the Organisation of American States and the Commonwealth Fund for Technical Cooperation, as well as Global Affairs Canada, UK Foreign Commonwealth and Development Office, and the United States Agency for International Development.

borrowing membership and broaden its development footprint. The Programme includes increased in-country presence through the deployment of resident implementing officers and access to CDB's Roster of Consultants for the rapid provision of consultancy services for pre-implementation support. Additionally, increased "hand-holding" to improve administrative efficiency in turning around documentation required for disbursement will also aid service delivery. Moreover, the rolling out of a procurement framework and updated disbursement guidelines are expected to improve the implementation readiness of projects for faster delivery of results.

3.15 Importantly, the Programme contemplates the centralisation of private sector operations related to MSME lending and support, direct private sector lending, Public-Private Partnerships (PPPs), financial intermediaries lending, and guarantee instruments. *Contributors* encouraged the Bank to continue to develop and implement appropriate measures for improving its responsiveness to clients and to transfer knowledge to in-country staff about the Bank's requirements for project implementation and disbursements.

3.16 *Contributors* noted that the Strategic Plan 2020-24 which pivoted on the Transformation Programme was focused on strengthening the capacity of the Bank and the SDF to address concerns that would enhance the Bank's comparative advantage. They encouraged the Bank to include in the SDF 10 programming, provision to assist BMCs to mitigate the medium- and longer-term impacts of COVID-19 and the attendant social and economic fall-outs.

Building Social Resilience and Leaving No-One Behind

3.17 A key concern for SDF 10 will be the need to address the challenges of poor and vulnerable groups whose conditions have been made worse by the COVID-19 pandemic. The priority, in this regard, will be a focus on building social resilience and pursuing the SDF mandate of reducing poverty and inequality. Social resilience builds the capacity of individuals, communities and countries to prepare for, cope with, and adapt to the shocks. BMCs have signaled their intention to adopt new coping, adaptive, and transformative resilience approaches.

3.18 CDB has been an important social protection partner over the past 50 years, providing significant financial investments and technical support in protective, preventive, transformative and promotional social protection. The Bank will continue to assist BMCs in strengthening their social protection systems and to prevent, mitigate and manage the risks and vulnerabilities they face. The Adaptive SPF will provide the institutional framework for the short-, medium- and long-term support to build social resilience and enhance shock-responsive national social protection systems necessary to protect the most vulnerable, as well as provide a springboard for BMCs' sustainable development. These programmes^{19/} are designed to address the needs of the poor and vulnerable populations, including rural farmers, children, PWDs, unemployed youth, single parents and guardians, and indigenous populations.

3.19 SPF is intricately aligned with the Bank's other strategic frameworks, including the Strategic Plan 2020-24; GEPOS (2019); Youth Policy and Operational Strategy (2020); and DiMSOG 2021. *Contributors* welcomed the focus on social protection, noted the general application of the frameworks to programmes initiated across the Bank as a whole, and agreed that they provided a good support mechanism for SDF objectives.

^{19/}The list of social protection programmes supported by CDB/SDF and targeted at building social resilience are in Appendix 4 – Strategic Areas of Selectivity and Focus for CDB's Adaptive SPF. They are expected to contribute directly and indirectly to the achievement of SDGs 1, 2, 4, 5, 6, 8, 10, and 11.

3.20 Strong guidance for the design of the various social sector initiatives in eligible BMCs will be provided by the respective ECPAs and the Country Engagement Strategies. In this regard, *Contributors* agreed that CDB should continue to focus its programming in core areas, i.e., BNTF, Haiti, education and training, agriculture and rural development, private sector development, water and sanitation and youth development. Projects in these areas tend to support social protection outcomes, and enhance their development impacts.

Basic Needs Trust Fund

3.21 CDB's flagship direct poverty reduction Programme, BNTF, exemplifies every aspect of social protection by providing access to basic socio-economic infrastructure and social services. The Programme's strategic goal is to reduce the incidence of poverty in low-income vulnerable communities by improving access to quality education and training, water and sanitation, basic community access and drainage, livelihoods enhancement and human resources development services. The key target groups across participating countries (PCs) include the poor in the lowest quintiles, and vulnerable groups such as the elderly, youth, the disabled and those with special needs, unemployed and underemployed females and males, particularly youth, and indigenous populations (in Belize, Dominica, Guyana, St. Vincent and the Grenadines, and Suriname). PCs target specific geographic communities characterised as rural, and pockets of underserved urban/suburban communities, with limited access to social and economic services and infrastructure and in the lowest quintiles.

3.22 BNTF is a continuing cyclical programme and as such, needs to adjust to remain relevant to community needs and to improve the pace of implementation while not compromising its main objective to support a socially inclusive development process that empowers the poor and vulnerable and support institutional development. Community participation is essential to every intervention as this facilitates local buy-in, supports organisational development, strengthens project management and enhances social capital and resilience within each community.

CDB's mission (Strategic Plan 2020-24) is "Reducing poverty and transforming lives through sustainable, resilient and inclusive development".

3.23 The Mid-Term Evaluation of BNTF 9, the latest BNTF Programme cycle, concluded that the Programme remains highly valued in all PCs, in particular, because it is genuinely responsive to country/community-identified needs rather than shifting donor priorities; poverty reduction remains a key priority in all PCs; its programmatic nature provides the potential for enhanced visibility and continuity; and it allows for a degree of flexibility and customisation to local specificities. The increased focus on livelihoods is widely welcomed as highly relevant to poverty reduction and national strategic priorities.

3.24 All BNTF 9 resources were fully committed as at mid-July 2020. Programming for BNTF 10 will be guided by the reforms introduced under BNTF 9, the approved recommendations from the BNTF 9 MTR, and lessons learnt during implementation. In particular, training and handholding will continue to improve the transparency, accountability and compliance with CDB procurement procedures. In response to the impact of COVID-19, the programme will include an increased focus on initiatives in the area of livelihoods and economic empowerment, particularly targeted towards women and youths.

3.25 *Contributors* noted the importance of BNTF to its PCs and welcomed the Bank's intention to improve the monitoring of the programme and to specifically consider:

- (a) more timely information on the percentage of BNTF projects on track to achieve target results; and

- (b) an enhanced approach to review and learn lessons from Country Project Completion Reports and sub-projects.

Haiti

3.26 Since 2007, SDF financing has allowed CDB to intervene in core areas that directly impact the lives of ordinary Haitians and build resilience aimed at improving life chances. Working in a fragile state such as Haiti requires sensitivity and understanding of the fluid local situation, while maintaining reasonable due diligence and some degree of flexibility in the approach to implementation. CDB is well placed to deepen relationships built on trust and mutual respect, and to provide viable solutions. However, this requires a greater level of effort from CDB in terms of its engagement with the key stakeholders on national priorities, consensus building and accountability, than for most of its other client contexts.

3.27 Through the Haiti Country Office (HCO), established in 2018, CDB has adopted a more flexible and proactive approach to how it interacts with Haiti's national institutions and processes to influence development project outcomes. This approach includes the involvement of non-state actors (civil society) to support national institutions with responsibilities for project implementation and management. The HCO has been welcomed by international development partners and Haitian authorities. For the latter, there is a view that as an institution of the Region, CDB can achieve a special understanding of and affinity with Haitian aspirations, and facilitate its greater integration in the Caribbean region.

3.28 HCO is successfully delivering on its mandate of:

- (a) coordinating the Bank's aid and providing project implementation support;
- (b) building/strengthening partnerships, developing closer relationships and facilitating information sharing with the Government of Haiti, development partners and other stakeholders; and
- (c) participating in policy dialogue, improving communication with, and responsiveness to, various stakeholders in national priority sectors.

3.29 Under SDF 9, CDB implemented more direct programming in Haiti, especially in areas, such as multi-grade education programming and the Technical and Vocational Education and Training (TVET). As a result, the new education project approved under SDF 9 features components solely funded by CDB. A new TVET project that is in the pipeline is also programmed to be financed solely by CDB. These changes are aligned with the key strategic priorities outlined in the 2017-2021 Haiti Country Strategy.

3.30 The 2018 Haiti Country Strategy and Programme Evaluation provided an overview of the main results of the programme since its inception in 2007 and made recommendations for the programme's next steps. These include carefully considering the specific challenges that the Haiti context poses in relation to project design and project supervision; assessing its programme delivery mechanism to ensure a proper intervention model for its stand-alone projects; taking advantage of the country office to maximise its contribution to in-country coordination; and balancing its capacity-building approach to consider both centralised and decentralised actors. Like previous reviews, this evaluation emphasised the need for a different approach in Haiti. Given its fragile context, Haiti requires closer supervision and monitoring.

3.31 Haiti's absorption of resources from CDB has been rapid and the Bank is now well placed to manage additional investments in the country. Work on future Haiti programming is currently in progress for consideration by the Board of Directors (BOD). *Contributors* agreed that future engagement in Haiti should build on interventions in the following key sectors:

- (a) education and training, with the possibility of utilising IT to enhance access;
- (b) agriculture and community development; and
- (c) sustainable energy development.

They noted that crosscutting interventions that promote governance and public sector capacity, climate and DRM; and GE improvement would underpin the planned interventions.

Education and Training

3.32 The Bank's Education and Training Policy and Strategy identifies education as a critical enabler of social and economic development, and the fountain-head for human capital formation. Consistent with SDG 4 goals and targets, BMCs have prioritised institutionalising inclusive education policies, programmes and services to support all learners.

3.33 Across BMCs, there is an inadequate policy and institutional framework exacerbated by limited human resource capacity; facilities are not configured to support inclusive access; and there are limited support services for effective diagnostic and intervention programmes. Learners experience significant academic challenges due to undiagnosed and untreated learning difficulties such as autism, attention deficit and hyperactivity, dyslexia, dyscalculia and dyspraxia resulting in frustration which is then channeled into disruptive behaviour. Most schools and learning institutions are not designed to cater to PWDs.

3.34 As signatories to the Convention on the Rights of Persons with Disabilities (CRPD)^{20/}, Caribbean governments are expected to make the appropriate provisions to ensure that children of all abilities can achieve to their fullest potential. Most of CDB's BMCs have largely fulfilled their obligations relative to the Convention on the Rights of the Child by supporting and achieving access to Universal Primary Education but only a few of them have taken the actions required by CRPD. The imperative to enhance equity requires a comprehensive approach to address the gaps which exclude vulnerable, at-risk learners from high quality, inclusive learning support environments and services in BMCs.

3.35 Given the overwhelming impacts of the COVID-19 pandemic on BMCs' education sector, challenges revolve around access to, and delivery of, educational instruction materials. The deployment and mass use of ICTs for teaching/learning are constrained by institutional deficits in the ICT infrastructure and human resource capacity. Not only is access to ICT devices and the internet a necessity, particularly during this pandemic, there must be adequate bandwidth and a learning platform used by competent teachers who are adept at maximising the technology to support inclusive, differentiated learning. Families need support, especially women who carry the burden of care, and who, as parents or guardians, are expected to facilitate distance and e-learning activities with which their children/wards are engaged.

^{20/}The CRPD seeks to ensure the enjoyment of human rights and fundamental freedoms by PWDs. It assures them the same rights to education enjoyed by other children, and calls on countries to provide an inclusive education system at all levels, and lifelong learning opportunities directed to the development of "the full human potential and sense of dignity and self-worth of such persons". It also guarantees the development of their personality, talents and creativity, to their fullest potential.

3.36 *Contributors* noted the importance of education and training to BMCs' development and agreed that SDF 10 will support BMCs to operationalise inclusive distance education/e-learning systems for learning continuity, targeting the provision of ICT devices and internet access; capacity-building of teachers and principals to deliver inclusive and high-quality online teaching; and curriculum content, including learning packages for PWDs and other Special Education Needs (SEN). Support will also be focused on capacity building for parents to facilitate distance education and digital learning, school nutrition programmes for at-risk children and youth, and improving access to water and hygiene facilities in the locations where learning is accessed.

Agriculture and Rural Development

3.37 CDB is acutely aware that agriculture can be an important source of economic growth and a key contributor to poverty reduction, particularly for households with limited income and employment opportunities. In addition, through the promotion of inclusive and sustainable agricultural development, CDB can contribute to overcoming major socioeconomic and environmental challenges in the Region, including rural underdevelopment, food and nutrition insecurity, obesity, youth unemployment, gender inequality, the unsustainable use of natural resources, and CC.

3.38 In 2019, CDB and FAO of the United Nations published a Study on the State of Agriculture in the Caribbean. The study showed that BMCs' agricultural productivity is generally lower, and growing more slowly than most other regions. In addition, the sector suffers from weak market linkages – high trade costs and low capacity to comply with modern food safety and quality standards. The Region's agricultural sector is also constrained by ever-growing pressure on natural resources and high vulnerability due to CC. Additionally, the COVID-19 pandemic has exposed the over-dependence of the Region on the global food supply chains, and the underlying risks associated with the reliance on external sources to meet food and nutrition needs.

3.39 There is extensive evidence that adoption of relevant sustainable agricultural technology (AgTech) and digitisation solutions have the potential to significantly improve agricultural productivity and market linkages, whilst reducing cost (service provision and production/marketing). Increasing investment in appropriate AgTech could accordingly assist the Region's ongoing efforts to transform the agricultural sector - improve incomes and youth employment, particularly in rural areas, and reduce gender inequalities.

3.40 *Contributors* encouraged the Bank to pursue agricultural development through a value chain approach. SDF will focus on agriculture-related interventions with the potential to:

- (a) enhance productivity – including support for early stage piloting of potential AgTech solutions. The focus will be on innovative technologies – precision and climate smart agriculture with the potential for high development impact, which can be replicated/and or scaled-up by public and/or private/individual investors;
- (b) enhance market linkages (national, regional and international) – including support for measures related to the adoption of internationally recognised food safety and quality standards;
- (c) improve food and nutrition security outcomes – by promoting the production, preparation and consumption of safe and nutritious foods; and
- (d) improve resilience to CC and natural hazard events.

3.41 The Bank will also continue to explore opportunities, and provide the necessary support, to address the unique challenges faced by disadvantaged groups, including female farmers and indigenous communities, who continue to face disproportionate challenges related to access to factors of production.

Water and Sanitation

3.42 The importance of water and sanitation in development is highlighted in SDG 6 – *Ensure availability and sustainability management of water and sanitation for all*. Water-related ecosystems such as rivers, lakes, aquifers, forests, and mountains, play an important role in the national and sectoral development goals of BMCs by providing water for drinking, as well as for key sectors, such as agriculture, tourism and energy.

3.43 As part of its continuing efforts to enhance the water sector in the Caribbean, CDB (in collaboration with IDB and the Caribbean Water and Wastewater Association) co-financed the development of the RSAP, 2018. The plan is built on work and studies carried out in the Caribbean and extensive consultation with national and regional water sector stakeholders, including water utilities, water resource management agencies, policy-makers, and multilateral development agencies (such as the Caribbean Community Climate Change Centre, CDEMA, Caribbean Institute for Meteorology and Hydrology, PAHO, and the United Nations Environment Programme). The RSAP sets out a framework of action, at the national and regional levels. The regional level response focuses on five pillars:

- (a) Climate-resilient water governance (updating governance arrangements, mainstreaming CC in sector planning, establishing transparent mechanisms for adequate tariff provision).
- (b) Climate-informed decision support (improving data collection and data use).
- (c) Climate-resilient water resources management (enhancing integrated water resource management including data collection and use).
- (d) Climate-resilient water service provision (enhancing the performance and efficiency of water utilities focusing on non-revenue water reduction, energy inefficiency, and upgrading ageing infrastructure).
- (e) Capacity building and sensitisation for climate-resilience.

3.44 *Contributors* noted the Bank’s active participation in the sector and agreed that the SDF 10 interventions will focus on supporting these five pillars through both regional and national interventions. The overall aim is to develop sustainable, efficient and climate-resilient water supply systems in BMCs.

Youth Development

3.45 Approximately 17% of the Region’s population is comprised of youth 15-24 years^{21/} and form part of the 60% of persons under 30 years^{22/}. Given the large demographic, there is considerable optimism about

^{21/}United Nations Department of Economic and Social Affairs, Population Division (2018).

^{22/}Forbes, M. (2014). Excerpts from her preparation for a presentation on Caribbean youth and jobs at the 2014 XIV Reunion BID – Sociedad Civil’ in Nicaragua.

the potential contribution of youth to the demographic dividend^{23/}. This is particularly critical for those countries with large youth populations but low fertility rates and ageing populations. However, youths need key knowledge, skills, attitudes and opportunities to fulfill their aspirations and to make the expected contribution to economic growth and sustainable development.

3.46 Despite increased access to education opportunities, health care and technology than previous generations, young females and males, across the Region, are among those who disproportionately bear the burden of poverty, marginalisation and exclusion. Vulnerability is heightened as the attendant physical, psychological, social, and emotional changes during adolescence are linked to increased risk-taking, thus increasing susceptibility to trauma, violence and criminal offences, and inordinately high levels of mortality or morbidity.

3.47 Differential life outcomes for youth are based on: (a) intersecting and overlapping identities and social categorisations such as gender, disability status, socio-economic status, place of residence and ethnicity; and (b) the dynamic interplay of individual and environmental factors, such as attitude, support systems, social and cultural norms and policy. Efficiency and effectiveness of response within our BMCs are hampered by implementation deficits that result from siloed and fragmented programming; inadequate youth participation in decision-making processes; financial, human and technical resources constraints; data deficits; and the absence of results-based approaches.

3.48 CDB/SDF has a well-established track record of delivering programmes that support youth participation and development in areas including, education and training, citizen security, enterprise development and entrepreneurship. The recently approved Youth Policy and Operational Strategy will guide an enhanced strategic approach for youth engagement within the Bank's operations. *Contributors* supported the Bank's continued interventions in this area during the SDF10 period.

Building Economic Resilience for Inclusive Growth

3.49 Economic resilience reflects the importance of BMCs' ability in the short term to limit the magnitude of production losses arising from an economic shock over the medium to long term, and to recover from that setback. CDB's BMCs possess some characteristics that are important determinants of their development context. The countries are small, produce a narrow range of goods and services, and rely heavily on imports for consumer and producer goods. This implies that sustainable increases in incomes and standards of living require consistent growth in exports. However, export concentration is high and BMCs are largely dependent on a few natural endowments for their export earnings. Typically, BMCs are reliant on one or two export sectors which severely compromise the resilience of these economies, especially when compared with other small states^{24/}.

3.50 Consistent with SDGs 8, 9, and 11, CDB/SDF efforts under the strategic pillar of building economic resilience focuses on three principal areas. These are:

- (a) improving access to credit and strengthening the regulatory environment and broader eco-system within the private sector;

^{23/}The United Nations Population Fund defines the demographic dividend as "The economic growth potential that can result from shifts in a population's age structure, mainly when the share of the working-age population (15 to 64) is larger than the non-working-age share of the population (14 and younger, and 65 and older)".
<https://www.unfpa.org/demographic-dividend>.

^{24/}While export diversification is limited in small states, countries such as Singapore and Mauritius have managed to achieve a level of diversification that has contributed to greater economic resilience and less susceptibility to global economic shocks.

- (b) promoting MSME growth; and
- (c) expanding climate-resilient economic infrastructure.

3.51 Additionally, the blue economy, with its focus on the sustainable utilisation of ocean resources, holds significant potential for the Region's small island economies, which have ocean resources several times greater than land-based assets. The Bank's work in this space will be informed by empirical research findings. CDB will focus its support on capacity-building to: (a) measure value-added in the sector; (b) support policy and strategy development; (c) awareness building; (d) support for niche projects in the fishing and aquaculture sector; and (e) port development and expansion. Initial development in these areas will require concessionary assistance.

3.52 *Contributors* agreed that SDF 10 interventions will be informed by recently-approved policies and strategies, regional policy dialogues, as well as empirical and other analytical work undertaken by the Bank. These include the Private Sector Development Policy and Strategy (2017) and Financing the Blue Economy: A Caribbean Development Opportunity (2018).

Private Sector Development

3.53 The objective of building economic resilience will see the Bank renewing and bolstering its efforts to facilitate private sector development, in particular, supporting the growth of MSMEs, strengthening PFM systems, and supporting the provision of efficient and reliable economic infrastructure. The Bank is, therefore, redesigning its private sector operations^{25/} to create a more coherent approach to its private sector interventions. The redesign will bring all private sector activities under one division and leadership, which will increase collaboration among the staff, optimise the use of resources and harmonise strategies.

3.54 *Contributors* noted that SDF 10 programming was expected to allow for greater ambition in assisting the sector through a wider range of interventions supported by a matching allocation. Against this backdrop, they agreed that SDF 10 will provide support specifically targeted at improvements in the doing business environment in BMCs and support for MSMEs. They encouraged the Bank to deepen financing infrastructure for economic and human capital development in the private sectors using direct lending, TA and PPPs as appropriate. They further agreed that TA interventions at both the macro and sector, and institutional levels should continue to encourage appropriate policy and institutional reforms and address private sector development constraints. *Contributors* further urged the Bank to more aggressively explore entry points for direct private sector lending using appropriately priced resources based on the Bank's risk appetite.

Promoting MSME Growth

3.55 Although general access to financial services is good in the Region, the access to finance by MSMEs is made difficult by a number of factors. MSMEs are viewed as risky propositions, resulting in either a reduced appetite to invest or lend, and/or a higher cost of finance to compensate for the higher level of perceived risk. This is compounded by the high cost of borrowing of some domestic banks that on-lend to the sector, high levels of informality, and difficulties demonstrating investment readiness and credit worthiness. Beyond these, the absence of support services, training, and venture fund ecosystems that

^{25/}CDB's private sector operations currently are dispersed across three different areas of the Bank: the Private Sector Development Unit: focusing on intermediary lending, mainly DFIs, and TA for capacity building in DFIs; the Technical Cooperation Division: focusing on MSMEs, including through the CTCS and the EU-funded Standby Facilities for Capacity Building; and the PPPs Unit: providing support to BMCs for PPP policy and project development.

encourage equity investment in MSMEs are critical constraints that need to be addressed. These challenges are even more acute for youth and women-owned businesses.

3.56 MSMEs have taken the brunt of the fallout from the COVID-19 pandemic. Based on an MSME Development Study by the Bank^{26/}, it is estimated that between 70% and 85% of all enterprises within BMCs are MSMEs. They also contribute between 60% and 70% of GDP and account for approximately 50% of employment, particularly for women, youth, indigenous groups and PWDs. The sector is now severely challenged by closures as a result of a slump in demand; reduced access to finance and weakened cash-flow given the downturn in business activity; and output shortages resulting from the disruption in the supply chains.

3.57 Improving MSME access to finance will require the design of market responsive and effective MSME lending programmes including support for entities recovering from the impact of COVID-19, and for the development of innovative solutions to collateral issues. *Contributors* encouraged the Bank to be flexible in its approach to assisting MSMEs and to continue to specifically target the issue of women and youth access to finance, as part of its post-COVID-19 support programme.

3.58 The Caribbean Technological Consultancy Services (CTCS) Network is the Bank's flagship programme to improve technical and managerial support in MSMEs. It provides targeted support to micro-enterprises and institutional strengthening of business support organisations. The Bank has recently taken steps to improve the strategic role of the CTCS Network through more effective alignment with country programming; and by providing a stronger focus on building capacities at the local level. The recently concluded CTCS evaluation will provide the basis for further improvements to the programme. *Contributors* commended the work of the CTCS and encouraged the Bank to explore reforms that would improve its effectiveness.

3.59 The Bank will continue to explore additional avenues for supporting MSMEs in areas such as the creative industries. These industries, which range from traditional arts to multimedia, have the potential to be an important driver of innovation and productivity growth in BMCs, and to become a pillar for economic diversification and export growth in the Caribbean. In addition, the industries are comparatively labour intensive, and could therefore help to alleviate the chronic unemployment problem (particularly youth unemployment). *Contributors* encouraged the Bank to continue supporting the creative industry during the SDF 10 period.

Expanding Climate-resilient Economic Infrastructure

3.60 CDB/SDF will continue to support BMCs to close infrastructure gaps in the transport sector (roads, airports, and seaports), as well as help countries respond to issues of water scarcity. The Bank's interventions will be guided by a revised Transport Sector Policy and Strategy to be completed in 2021, as well as capacity building, which includes the integration of climate resilience in the road transport sector. With increased emphasis on helping BMCs to build back better and stronger and strengthening investment outcomes, CDB will continue to embed climate resilience measures into infrastructure design and implementation, with Climate Risk and Vulnerability Assessment as the main decision tool.

3.61 The Bank will also provide support to national DFIs to address climate risks, as part of their credit risk due diligence. This support will serve to strengthen knowledge flow and information dissemination about CC to financial institutions and the private sector in order to better inform business decisions. *Contributors* noted the Bank's proposed approach to expanding climate resilient infrastructure.

^{26/}Micro, Small and Medium Enterprise Development in the Caribbean (2016) – Towards A New Frontier.

Building Environmental Resilience

3.62 Unsustainable approaches to development have resulted in visible environmental degradation, increasing pressure on land, watersheds, terrestrial habitats, coastal and marine ecosystems, and hinders the ability of natural resources to maintain their ecological functions. These impacts include deviations in agricultural yields, changes in water quality and quantity; damage to coastal zone areas; marine and terrestrial biodiversity loss and associated ecosystem services; and increases in CC-related disasters and infrastructure damage and loss in urban and rural areas. These events have a disproportionate impact on the most vulnerable groups, who have less capacity to protect themselves and to adapt or recover losses.

3.63 Improper management of these natural resources constrain their ability to provide ecosystem services that are essential for coastal protection, water quality and quantity, food security, sustainable livelihoods (particularly for the poor) and for economic development in BMCs. There is also increasing concern with gender-specific climate impacts. The gender dimensions and differential impact of CC and disaster risks on the lives and livelihoods of women, men and their families, influence the vulnerability of households and the likelihood of increasing poverty. Environmentally sustainable development and improving the capacity to cope with CC and disaster risks and impacts are therefore crucial to reducing poverty among the most vulnerable populations in BMCs.

3.64 The need to build environmental resilience acknowledges threats posed to the Region by CC, and is in support of measures advocated under SDGs 5, 7, 11, 13, and 17. Under this objective, the Bank will seek to support DRR, energy security and measures to mitigate and adapt to the effects of CC. The Bank's CRS (2019-2024) notes that measurable climate impacts are already being observed among the Bank's membership. To build resilience, BMCs must invest in appropriate CCA measures for key economic areas such as agriculture, water resources management, infrastructure and urban development, at the national and community levels. BMCs must also incorporate CCA, and DRR and management in national development plans and sector policies and strategies.

3.65 Consistent with the CRS, the Bank's efforts, going forward, will focus on supporting an enabling environment for climate action and in particular, DRR, as well as, continuing to assist BMCs to update climate-related action plans including Nationally Determined Contributions. Within this context, the Bank will leverage DiMSOG 2021 to support stronger *ex-ante* preparedness in the policy space, as well as deepen *ex-post* relief efforts. As it relates to mitigation, CDB's Energy Policy and Strategy, promotes the use of RE for more sustainable, affordable, and accessible energy.

Disaster Management Strategy and Operational Guidelines 2021

3.66 The overall goal of DiMSOG 2021 is to contribute to sustainable development and poverty reduction in the BMCs by reducing the burdens caused by disasters due to natural hazards and CC through effective DRM. The Strategy promotes the adoption of a more proactive and integrated approach in the development, implementation and financing of DRR/CC work programmes of BMCs, to achieve tangible DRR and CC resilient outcomes.

3.67 DiMSOG 2021 contemplates a significant "scaling up" of financing, while using a risk layered approach to support BMCs work programmes. It proposes that increased concessional financing is needed to:

- (a) incentivise BMCs to adopt a more proactive approach to DRM;
- (b) facilitate enhancements to the Bank's disaster risk financing instruments for post-disaster early recovery and reconstruction; and

FINANCING INSTRUMENTS	INDICATIVE SDF REQUIREMENTS	ELIGIBILITY
<p>Immediate Response Loans (IRL)</p> <p>IRLs will not exceed \$5.0 mn per event, of which up to a maximum of \$2.5 mn will be from the SDF set-aside. Activities will include:</p> <ul style="list-style-type: none"> (a) the repair, replacement or the installation of measures to protect and restore vital economic infrastructure; (b) consultancy services to support execution of detailed damage and loss assessments; (c) early stage recovery activities including supporting consultancy services for the delivery of specialist technical expertise and/or augmenting assistance being provided by other partner development institutions; (d) boosting productivity or regenerating livelihoods of the most poor and vulnerable; (e) psychosocial services; and (f) consultancy services to prepare designs for high priority critical projects for the longer-term rehabilitation phase. 	<p>\$20.0 mn from set aside (to be blended with other resources)^{27/}.</p> <p>The blend will take into consideration the BMCs' fiscal and debt situation, per capita income, and the severity of the natural hazard impact.</p>	<p>All BMCs will have access to the set-aside. BMCs with loan allocations (Groups 2 and 3) can access additional SDF resources up to \$2.5 mn per event</p>
<p>Rehabilitation and Reconstruction Loans (RRL)</p> <p>The RRL is intended to help Government of the affected BMC achieve the objectives of its recovery programme and specifically, to rehabilitate social and economic infrastructure and restore key economic sectors to 'build back better' than pre-disaster operating levels, whilst also building in actions/measures to reduce vulnerability to future disasters and CC.</p>	<p>SDF \$20.0 mn from set-aside (to be blended with other funds).</p> <p>The blend will take into consideration the BMC's fiscal and debt situation, per capita income, and the severity of the natural hazard impact.</p>	<p>All BMCs will have access to the set-aside. Only those BMCs with loan allocations (Groups 2 and 3) can access additional SDF resources.</p>
<p>Contingent Emergency Response Component (CERC)</p> <p>The CERC is intended to improve the preparedness and response capacity of the BMC government by allowing a rapid response once an emergency occurs. A CERC is a component within a project that allows for funds to be quickly reallocated from project components, to undertake emergency recovery activities in the event of a disaster. It averts the need for time-consuming project restructuring because the budget line is already in place within the project.</p>	<p>n.a.</p>	<p>n.a.</p>

3.70 Communities are usually first responders in the event of a disaster. Adopting DRR management practices and CCA measures along with enhancing local government and community capacities to respond to and cope with climate-related hazards and natural disasters, are therefore essential to building resilience. Building climate-resilient communities remains a key priority for CDB/SDF. It is consistent with its CRS

^{27/}Minimum of seven loans projected during SDF 10.

and hence the Bank will continue to explore funding possibilities to support and respond to the adaptation needs of communities.

3.71 Consistent with the Bank's objective to scale-up adaptation and climate resilience in climate vulnerable sectors and RE and EE, CDB will target 25%-30% of own resources to go towards financing climate adaptation and mitigation activities by 2024. The calculation will be consistent with the joint MDB methodology for climate finance commitments.

3.72 *Contributors* commended the programme set out in the DiMSOG 2021 and the Bank's proposed approach to building environmental resilience. They agreed that CDB's core interventions to strengthen environmental sustainability and climate resilience will continue to focus on the priority areas outlined in the paragraphs below. These interventions will assist BMCs in meeting their national and global objectives, including SDGs. *Contributors* also welcomed the Bank's plan to become Paris aligned by June 2021.

Expanding/Mobilising Concessionary Resources

3.73 SDF will continue to seek opportunities to leverage its resources, as well as resources from climate finance sources to which it has access, to support BMCs' climate action agendas. The Bank will continue its collaboration with the Green Climate Fund, Adaptation Fund, EIB and other multilateral and bilateral partners, to increase concessional fund flows to BMCs and to facilitate blending with its own resources.

3.74 Based on CDB's own work, and stakeholder feedback, as well as lessons of experience from other development partners, access to concessional loans and grants is essential as an incentive to boost BMC's policy commitment. Support for such commitment requires sustained, long-term engagement and a comprehensive in-depth layered approach for community DRM initiatives to be impactful, since action on policy, governance, administrative and legislative reforms, and capacity-building investments need a coherent framework for action over time. Furthermore, with increases expected in the frequency and severity of natural disaster events due to CC, such needs are expected to remain substantially unmet, unless there is a significant increase in the available pool of resources for disaster response and rehabilitation, as well as appropriate adjustments to the rules for country access to SDF financing^{28/}.

3.75 The SDF and specifically, the "DRR" and "environmental sustainability set-asides" have been important sources of financing for emergency and post-disaster responses of BMCs. While all countries have access to emergency loans and grants, Group 1 countries do not have loan allocations for country specific programming and only benefit from initiatives that are of a regional nature. An expanded SDF "Disaster Set-Aside" can give Group 1 countries access to urgently needed resources, which could be blended with OCR assistance, to effectively address emergency response, and early recovery and rehabilitation initiatives following a severe disaster. *Contributors* agreed to an expanded set-aside for responding to disaster events particularly hurricanes which would be available to all BMCs and encouraged the Bank to further explore alternative financial instruments for funding DRR.

^{28/}Group 1 countries and Overseas Territories, after severe natural disasters, received very limited assistance from CDB to support their ability to urgently address early recovery. For example, loss and damage to The Bahamas from Hurricane Dorian was 25% of GDP and in 2017 Hurricane Maria inflicted damage on Antigua and Barbuda's GDP was 15% of its GDP, while Hurricane Irma's impact on Anguilla was estimated at 76% of its GDP.

Scale-up Adaptation and Climate Resilience in Climate Vulnerable Sectors

3.76 *Contributors* noted that CDB will scale-up its action in five climate vulnerable sectors as detailed below:

- (a) Climate-resilient infrastructure.
- (b) Integrated resilient urban development.
- (c) Climate-resilient land and water resources management.
- (d) Climate-resilient communities.
- (e) Climate-resilient agriculture.

Enabling Environment for Climate Action

3.77 *Contributors* supported the establishment and expansion of data collection and reporting systems for environment, DRR and climate risk monitoring, and information systems at both the regional and national levels including strengthening of hydrological and meteorological services to deliver early warning systems for climate-related hazards. They further noted that actions to strengthen CC knowledge and awareness will be undergirded by gender-responsive and socially-inclusive formal and non-formal learning necessary to build the human capital to sustain climate action.

3.78 Building on previous capacity enhancement initiatives by the Bank to track and monitor climate finance, *Contributors* noted the Bank's intention to operationalise the Climate Financing Tracking Framework by June 2021. Also, by the end of the second quarter of 2021, the Bank will set a commencement date for submitting data to be published in the annual Joint Report on MDBs Climate Finance.

3.79 *Contributors* agreed that further support in SDF 10 will include:

- (a) institutional and capacity building activities to integrate climate risk management into national development planning, investment finance programming and sectoral policies;
- (b) legal, administrative and governance reforms;
- (c) spatial and environmental planning system improvements;
- (d) environmental quality and ecological services, biodiversity protection, restoration and improvements;
- (e) participatory governance and administrative processes for climate resilience, DRR and environmental management results-oriented education and awareness programmes; and
- (f) cooperation and collaborative arrangements within the public sector and between public sector, private sector and civil society to design, finance and implement climate resilient development initiatives.

Renewable Energy and Energy Efficiency

3.80 CDB assistance to BMCs in meeting their energy challenges is guided by its Energy Sector Policy and Strategy (ESPS)^{29/} which will be updated in 2021. The principal challenges facing BMCs are the lack of energy supply security linked to over-reliance^{30/} on high cost imported fossil fuels; and the *need to reduce the carbon intensity* (carbon emissions per unit) of their energy sector.

3.81 The Bank's assistance is also focused on transitioning BMCs energy systems away from their high dependence on fossil fuels and promoting the increased use of RE/EE. This approach is expected to:

- (a) improve economic competitiveness and fiscal balances through reducing the energy costs; and
- (b) enhance climate resilience, poverty reduction and economic empowerment of remote and often poor communities, through the implementation of distributed/de-centralised RE options.

3.82 As part of their global commitments, CDB and other development partners continue to collaborate with BMCs and other countries, to address the challenges and barriers to energy security and towards meeting their emission reduction targets as part of their Nationally Determined Contributions commitments under the Paris Climate Agreement. *Contributors* commended the Bank on its approach to assisting BMCs to meet their energy challenges through climate-friendly sustainable measures and encouraged SDF continued support for ambitious outcomes in this sector.

3.83 Although most of CDB's BMCs have made progress in developing policies that promote energy security, reform of their legislative, regulatory and incentive frameworks is lagging. The main obstacles to the rapid advancement of RE/EE across BMCs are, the inadequacy of the sector's regulatory framework to facilitate and incentivise investment at various levels; and the insufficiency of appropriate funding instruments to address specific issues.

3.84 Against this background, the Bank proposes to contribute to addressing these issues in collaboration with other development partners, through capacity support for strengthening of the energy sector governance frameworks and advancing the development and implementation of instruments to promote RE/EE investments in niche areas, such as:

- (a) increasing climate resilience in the public sector;
- (b) increasing access for low- income target groups through the installation of solar PV and battery-based micro-grids;
- (c) distributed RE generation for MSMEs and domestic commercial consumers;

^{29/}ESPS was approved by CDB BOD in 2015.

^{30/}CDB BMCs depend on imported fuels to meet more than 90% of their commercial energy demand. There are a host of related challenges which are associated with this over-reliance including that: the economies are subject to the vagaries of the international oil market which, in addition to the adverse impact of periodic shocks makes long term planning of the economies very difficult; also, a large part of their foreign exchange reserves have to be consumed for national fuel bill; and that their cost of electricity will always be relatively much higher than those of their major trading partners, given that by virtue of the fuel source, they are wedded to diesel based plants for electricity generation, which characteristically exhibit the lowest efficiencies among conventional power conversion options.

- (d) the advancement of offshore wind development; and
- (e) building out public e-mobility infrastructure in BMC.

3.85 *Contributors* endorsed the Bank's approach to promoting RE and EE and agreed that tailored interventions in the area would be undertaken in SDF 10.

Crosscutting Areas

Gender Equality

3.86 The Bank acknowledges the positive correlation between macro-economic development and GE as evidenced by differential earning opportunities between men and women. GE will continue to be a critical development priority for the Bank. The Bank's newly-approved GEPOS will help inform its strategic guidance and launch the Bank into a new phase of delivering on its GE mandate. This new Strategy takes on board the lessons and results of the investment in GE over the past 10 years.

3.87 The GEPOS (2019) is underpinned by nine Strategic Pillars: Equitable Access to Infrastructure Services for All; Economic Empowerment of All; Education and Training for All; Combatting GBV for All; and Resilience for All; (all externally focused) while the inward looking pillars are: Work-life Balance for All; CDB's Core Values for the Benefit of All; Equitable Treatment and Empowerment of All; and Safety and Security for All. The Strategic Pillars provide the overarching programmatic framework for advancing and monitoring the Bank's contribution and commitments to GE.

3.88 The new GEPOS affirms the Bank's commitment to corporate values that uphold diversity and inclusion. As such, the Bank will strengthen its focus on integrated approaches (gender mainstreaming) while also committing to explicit activities (gender-targeted) that tackle the root causes and manifestations of gender inequalities through all the Bank's policy dialogue and operations. In this regard, the Bank re-emphasises the importance of GE as a crosscutting theme to be integrated into all thematic areas.

3.89 The recently-approved Gender Equality Action Plan 2020-24 outlines how the Bank will implement GEPOS (2019) as it seeks to become more gender-responsive and deepen the GE work in BMCs and in the institution. The Bank will support the enabling environment for continuous learning and ensure sustainable development impact both in BMCs and internally. In this regard, *Contributors* supported the use of the gender marker as a self-assessment tool for monitoring quality and capturing lessons of experience. However, they advised that there should be an independent assessment/evaluation of whether the standards set in the GEPOS were being met.

3.90 The Bank continues to support gender-responsive and gender-targeted social and economic infrastructure initiatives, in particular in education, transportation and water. It will increase its efforts in both addressing GBV and strengthening the economic empowerment of women, through awareness building, behaviour change and security measures, in particular, psycho-social support programmes, life skills training, relevant citizen security interventions, gender-sensitisation training of stakeholders in infrastructure projects, and gender-responsive projects in disaster situations. The Bank will also continue to promote gender-responsiveness and cultural diversity internally, as part of the enabling environment and as a means of enhancing staff capacity in addressing the intersectionality of gender, sex, race and ethnicity.

3.91 SDF has supported women's economic empowerment by offering skills training^{31/}, strengthening childcare opportunities for primary caregivers, designing gender-responsive TVET systems^{32/} and encouraging the recruitment of women in CDB-funded construction projects^{33/}. In addition, CDB has increasingly focused on strengthening female entrepreneurs' access to financial resources. These initiatives constitute relevant steps to address the multi-faceted barriers to women's economic empowerment. CDB/SDF will also manage potential risks such as the reinforcement of traditional work-force roles based on gender.

3.92 Widespread GBV both domestically and in public spaces is an ongoing challenge in the Region. Still, there is limited systematic data collection on GBV at the country level and regionally. To address this gap, CDB will provide continued support under SDF 10, to develop BMCs' capacities for data collection (SDG 5), as well as working on raising awareness and mitigating the risk of GBV in different sectors, e.g., by encouraging awareness of sexual exploitation and abuse for workers and contractors on CDB-financed projects.

3.93 *Contributors* commended the Bank/SDF on its leadership role in advancing GE and the empowerment of women and girls as central to the development aspirations of the Region. *They* encouraged the high level of ambition in setting goals for this area and the focus on delivering results. In addition, *they* requested that the Bank make use of SDF's set-aside modality for promoting and supporting the GE objectives and in particular, the work related to the elimination of GBV in all its forms.

Good Governance

3.94 Strong policies that are transparent and inclusive, coupled with robust institutions, lead to better long-term sustainable development outcomes. In this regard, effective implementation of projects and efficient disbursement of loans and grants are critical to realising the development impact of interventions and to strengthening the financial profile of the institution. One of the most pervasive challenges affecting the Region, and by extension the Bank, is the severe implementation deficit which compromises project outcomes and hinders the achievement of development objectives. The implementation rate in BMCs for Bank-financed projects has declined over the past five years with this trend being reflected in disbursement performance. This performance has given rise to large undisbursed balances (for the Bank as a whole) which amounted to \$800 mn by December 31, 2019.

^{31/}In 2017, 332 out of 863 business-people participating in CTCS training opportunities were female. Workshops were provided in the areas of agriculture and agro-processing, food safety, construction and repairs, hospitality and tourism, RE and EE and creative industries. Source: 2017 CDB DER, p. vii. CTCS also includes workshops specifically encouraging women, such as 2017 Business of Music workshops, which according to the 2017 SDF Annual Report (p.14), "focused on Women in Music, Fundamentals of the Business of Music, Negotiating and Managing Contracts, and Accessing International Markets. A total of 398 persons were trained (229 men and 169 women)."

^{32/}2015 TVET Enhancement Project in St. Kitts and Nevis and 2016 Skills Development Employability Project in Guyana aimed at developing gender-responsive TVET systems with gender-responsive career counselling and psychosocial support, addressing the needs of vulnerable/at-risk groups.

^{33/}For instance, the 2014 Fifth Road Project in Belize incorporated a gender capacity building component aimed at increasing the participation of women in road construction. The 2018 GEPOS evaluation reports that the project resulted in new female hires and increasing female presence to guide traffic, despite many companies not being open to women "doing hard work." Source: 2018 GEPOS evaluation, p.3.

3.95 CDB (2017)^{34/} notes that implementation rates in the Region vary from 20% to 86%, with many BMCs at the lower end. The implementation problem can be decomposed into challenges at the country level, as well as those internal to CDB. At the country level, limited capacity tends to affect the tendering and evaluation processes which act as a drag on procurement and ultimately, undermine project implementation. Further, shifts in country priorities on account of natural hazard impacts and changes in political regimes sometimes also adversely impact project implementation. One of the findings of the MTR for SDF 9, is that weak country-level capacities in BMCs is overall the key factor limiting their ability to absorb available funding in a timely manner. In addition, it highlighted that insufficient project management arrangements or capacities of BMCs, at times also limits implementation.

3.96 Consistent with SDG 16, CDB will continue, through its TA programme, to provide support to BMCs to improve national statistical systems, public financial and investment management systems, and results-based management, to promote greater efficiency in the management of public resources and improve evidence-based decision making. Moreover, its initiatives in this regard will focus on supporting BMCs' capacity for the design and appraisal of projects, as well as for project implementation through TA initiatives. TA operations during SDF 10 will be guided by TAPOS. The overall supervision and management of TA grants have been reviewed as part of a general business process review, and new processes are being designed.

Digitalisation

3.97 Within the last two decades, there have been significant strides in advancing the uptake and use of ICTs in the Caribbean, largely due to the liberalisation and increased competition in service markets. Improved infrastructure and affordability have been critical stimulants of internet access and use. For example, the average share of individuals using the internet in individual BMCs increased from 24% to 59% between 2005 and 2016 (ITU, 2017)^{35/}. However, these strides are not evenly distributed. More than half of BMCs' citizens have not benefitted significantly from these Region-wide advances.

3.98 Digitalisation will be a cornerstone of the Bank's new Strategy and will impact the rollout of SDF 10 programming as a crosscutting area. The Bank acknowledges that an effective digitalisation process will require a holistic approach to change^{36/}. Managerial and technical skills development, the articulation of the appropriate governance structure, a competitive communication infrastructure and ICT industry are core components of a digital-driven economy.

3.99 *Contributors* encouraged the Bank to support BMCs to close the digital divide. The Bank will utilise its lending and non-lending services, including knowledge products, to deepen ICT development as an important growth enabler and to help improve BMCs' digital adoption index ranking^{37/}. The Bank will

^{34/}CDB (2017) "A Blueprint for Growth"

^{35/} ITU is the United Nations specialised agency for ICTs.

^{36/}CDB's Digital Transformation Initiative is in full swing internally. The Strategy focuses initially on four pillars: (1) collaboration and productivity; (2) data democratisation; (3) business resilience; and (4) smart partnerships.

^{37/}The digital adoption index is a worldwide index that measures countries' digital adoption across three dimensions of the economy: people, government, and business. The index covers 180 countries on a 0–1 scale, and emphasises the "supply-side" of digital adoption to maximise coverage and simplify theoretical linkages. The overall digital adoption index is the simple average of three sub-indexes. Each sub-index comprises technologies necessary for the respective agent to promote development in the digital era: increasing productivity and accelerating broad-based growth for business, expanding opportunities and improving welfare for people, and increasing the efficiency and accountability of service delivery for government. Originally constructed as part of the World Development Report 2016: Digital Dividends. Haiti is currently the lowest ranking BMC at 161st, while Trinidad and Tobago is the highest ranked at 64th.

infuse technology in traditional areas of lending including education and agriculture to improve development outcomes.

Regional Cooperation and Integration

3.100 Support for RCI remains a key priority for CDB, as it can play a critical role in accelerating economic growth, reducing poverty and economic disparity, raising productivity, and strengthening institutions. In particular, it has the potential to narrow development gaps between the More Developed and LDCs in the Bank's membership by facilitating trade integration, the development of intra-regional supply chains, stronger financial links, and enabling slow-moving economies to speed up their own expansion.

3.101 The Region continues to face challenges and constraints in deriving the full benefits of integration. These constraints experienced by BMCs thus far revolve around four issues: the lack of improvement in market access; delays in effecting movement of factors (mainly rights of establishment); the slow pace in advancing the free movement of skills; and the perception of uneven benefits due to persistent delays in meeting the commitments and obligations of CSME.

3.102 RCI initiatives have four overall objectives:

- (a) strengthening the statistical capacity for improved decision-making and results reporting, specifically in relation to targets to be agreed under the Post-2015 Agenda (the Bank is committed to supporting a regional effort towards the modernisation of National Statistical Organisations, as well as to support the creation of a Regional Statistical Organisation to serve as a coordinating entity of the regional statistical system);
- (b) supporting efforts for improved intra-regional logistics, including transportation to improve the movement of goods and people;
- (c) enhancing quality infrastructure to harmonise and provide a framework for mutually recognised standards, technical regulations and conformity assessments; and
- (d) strengthening financial sector regulation and supporting the establishment of a regulatory framework for consumer protection.

3.103 The impact of the COVID-19 pandemic on global and regional supply chains has brought sharply into focus the need to boost intra-regional trade especially in agricultural products to guarantee food security and create opportunities for economic diversification in the medium-term.

3.104 The uncertainty around the duration of the pandemic and the timeline for economic recovery has made it necessary to ensure that full advantage is taken of the unique opportunities offered by regional integration to overcome the many development challenges that require joint action. These include tackling issues like CC and pollution, supporting knowledge sharing across the Region, and facilitating regional transportation of goods and people.

3.105 CDB has a dedicated team and a careful approach to programme development with clearer objectives and trajectory in place. A Focal Point for regional programming has also been established to spearhead RCI interventions. In addition, an RCI Policy and Strategy is being developed which will ensure that the Bank's interventions are appropriately aligned and consistent with the CARICOM objectives of implementing the CSME. *Contributors* noted the steps being taken to strengthen RCI programming and agreed that this should be a continued focus of SDF 10.

4. FINANCIAL RESOURCES AND PROGRAMME LEVELS

Programme Levels and Funding

4.01 *Contributors* agreed on an overall programme level for SDF 10 of \$383 mn (See Box 2), to be financed from internally-generated resources within SDF of \$162.8 mn, and agreed contributions of \$188.2 mn, with an unallocated structural gap of \$32.0 mn. Contributions to the latter are expected from prospective new members and Contributors.

4.02 Enhanced financial support for SDF is essential to enable SDF and the Bank to assist BMCs to more directly address issues of poverty and inequality, sustainable development, governance and capacity development, gender inequalities, environmental sustainability, CC, DRM, work associated with RCI, as well as to pursue the SDGs.

BOX 2: SDF 10 PROGRAMME LEVEL AND FUNDING	
('000)	
Commitment authority carry over	6,500
Expected net income	19,180
Loan repayments	137,130
<i>Sub-total internally generated SDF resources</i>	<i>162,810</i>
Pledged new contributions as of December 2020	<i>188,186</i>
<i>Sub-total available and committed resources</i>	<i>(350,996)</i>
Unallocated structural gap/New contributions	<i>(32,004)</i>
TARGET PROGRAMME LEVEL	383,000

4.03 *Contributors* agreed that the factors which justify a stronger and more ambitious role for SDF include:

- High and persistent poverty and inequality, high levels of vulnerability to CC, natural hazard events, economic shocks and pandemics which remain as leading challenges to BMCs' inclusive and sustainable growth and development ambitions, and may even serve to reverse earlier development gains.
- The imperative to continue and enhance the focus on the many aspects of social protection, through direct poverty reduction programmes, which provide rural and urban communities with access to basic socio-economic infrastructure and social services.
- Reducing the social, economic and environmental burdens caused by natural hazards and CC through effective DRM, and promoting the adoption of a more proactive and integrated approach to the development, implementation and financing of BMCs' DRR/CC work programmes in order to achieve resilient outcomes.
- Continuing SDF's role in support of Haiti, as the member most affected by poverty, inequality and vulnerabilities.
- The need for building the coping, adaptive and transformative resilience capacities of BMCs and their local communities to overcome risks and vulnerabilities, particularly those relating to poverty; gender disparities and inequality; unemployment among youth; improving access to inclusive and equitable education; provision of equal opportunities particularly for PWD consistent with the principle of "No one left behind".
- Urgent and continuing support for the medium and longer-term responses of BMCs to the severe and negative impacts of COVID-19 on all areas of life and livelihood of their citizens, particularly in the sectors of education and training, water and sanitation, health, social protection services, and small and medium-sized enterprises.

- Maintaining support for other development priorities in BMCs given the increasing fiscal pressures and mounting debt, as well as their significantly reduced ability to borrow on other than non-concessional terms in the current debt and fiscal situation.
- Assisting the Region to strengthen RCI, and to promote Regional Public Goods (RPGs) and regional approaches to resolving development issues, as well as for responding to changes in the international and regional economic environment.
- Support for critical success factors for effecting social and economic transformation in BMCs in the form of essential capacity-building, improving policymaking and institutional effectiveness and strengthening economic management as critical aspects of good governance.

Allocation of Resources

4.04 *Contributors* agreed that the SDF 10 programme should consist of the allocations in Box 3, subject to review as appropriate.

BOX 3: PROGRAMME ALLOCATIONS		
	SDF 9	SDF 10
	('000)	
Core Country Lending		
Country loans using performance-based RAS for eligible BMCs	211,000	211,000
Other Lending		
Natural Disaster Mitigation and Rehabilitation	20,000	40,000
Regional Projects	5,000	-
Total Loans	236,000	251,000
Grant Funding		
BNTF	40,000	40,000
Haiti	45,000	45,000
TA	12,000	-
BMCs Capacity-building	9,000	12,000
CTCS	3,000	-
BMC Capacity Building Statistics and Governance	6,000	-
Environmental Resilience	-	18,000
Immediate Disaster Response	3,000	-
Environmental Sustainability and CC and Sustainable Energy	3,000	-
Private Sector Development		15,000
Agriculture and Rural Development	3,000	-
Private Sector Enabling Environment (Creative Industries and Competitiveness)	3,000	-
RCI and RPGs	4,000	-
Gender	-	2,000
Total Grants	119,000	132,000
Total Programme Level	355,000	383,000

4.05 The set-asides, other than those for BNTF and Haiti, are not allocated to countries but to specific purposes according to identified opportunities and the potential impact of the use of such resources. The Bank will pursue opportunities for blending SDF 10 and non-concessionary resources which will catalyse additional investment in targeted areas.

4.06 Programme allocations will be reviewed by Contributors at the MTR of SDF 10 to ensure effective use of available resources, to achieve the objectives of the Replenishment and to maximise positive outcomes to SDF operations.

4.07 SDF 10 operations for each of the themes of the Replenishment will necessarily reflect country needs and capacity. This is particularly the case with country lending operations. *Contributors* requested, however, indicative programming projections, and these are shown in Box 4.

4.08 Box 4 shows both set-aside allocations, marked with an asterisk (*), and planning projections for expected use of funds available for country lending under the SDF Resource Allocation Strategy (RAS). Adjustments will necessarily be made in the light of country strategies and absorptive capacities, as well as any change in resource availability during the Replenishment period.

BOX 4: INDICATIVE PROGRAMMING OF SDF 10				
SDF 10 CORE THEMES	Grants	Loans	Total	%
	(\$ '000)			
Building Social Resilience Leaving No One Behind				
BNTF	40,000*	-	40,000	10.4
Haiti	45,000*	-	45,000	11.7
Education and Training	-	66,000	66,000	17.2
Agriculture and Rural Development	-	30,000	30,000	7.8
Water and Sanitation	-	30,000	30,000	7.8
Sub-total	85,000	126,000	211,000	55.1
Building Economic Resilience for Inclusive Growth				
Private Sector Development	15,000*	-	15,000	3.9
Social and Economic Infrastructure	-	55,000	55,000	14.4
Sub-total	15,000	55,000	70,000	18.3
Building Environmental Resilience				
DRR & CCA	18,000*	22,000	40,000	10.4
Natural Disaster Mitigation and Rehabilitation	-	40,000*	40,000	10.4
Sub-total	18,000	62,000	80,000	20.9
Crosscutting Areas				
GE	2,000*	0	2,000	0.5
Good Governance - Capacity-Building & Institutional Strengthening	12,000*	8,000	20,000	5.2
Sub-total	14,000	8,000	22,000	5.7
TOTAL PROGRAMME LEVEL	132,000,	251,000	383,000	100.0
<i>Percentage of grants</i>	-	-	34.46%	-

*Set-aside allocations

Projected Commitment Authority and Contributions

4.09 SDF commitment authority for new financing, as in the case of other MDBs' concessional funds, is derived from new contributions and internally-generated resources, including any carryover into the period. The impact of any exchange rate changes or other adjustments will be taken into account at the end of each financial period.

4.10 The projected commitment authority for SDF 10 is shown in Table 5 as a phased series of annual levels consistent with the flow of internally-generated resources and the approximately equal instalments in which contributions are normally made. The estimated contribution from each government is provided in Table 7.

TABLE 5: PROJECTED COMMITMENT AUTHORITY FOR SDF 10
(\$'000)

	2021	2022	2023	2024	2021-24
Commitment authority at beginning of the period	6,500	16,400	17,700	23,800	6,500
<i>Plus: Net Income</i>	3,500	3,800	5,900	5,980	19,180
<i>Plus: Repayments</i>	33,700	34,000	34,700	34,730	137,130
Commitment authority from pledged and new contributions	49,000	58,600	50,000	62,590	220,190
<i>Funds Available for Commitment</i>	92,700	112,800	108,300	127,100	383,000
<i>Less: Approvals for SDF loans</i>	29,800	70,300	64,800	83,100	248,000
<i>Less: Approvals for SDF grant financing</i>	46,500	24,800	19,700	41,000	132,000
Commitment authority at end of the period	16,400	17,700	23,800	3,000	3,000

4.11 *Contributors* welcomed this presentation of SDF 10 commitment authority as consistent with the practice of other concessional funds. *They* supported the advance payment of instalments on new contributions where individual Contributors are able to make such payments, as a contribution to increasing SDF income and thereby financing a part of the structural gap for SDF 10.

4.12 To ensure that the momentum of SDF operations can be maintained pending the deposit of Instruments of Contribution, *Contributors* authorised the Bank to use Instruments of Contribution as these are deposited, as well as any advance instalments, as commitment authority during 2021, unless otherwise indicated by the Contributor concerned.

Country Eligibility, Groups and Financing Terms

4.13 Contributors approved the continued use of country groupings as established for SDF 8, for setting terms and conditions for SDF lending and providing a basis for the blending of SDF and OCR at the country level. Individual country allocations would be determined using the SDF performance-based RAS except for Groups 1 and 3 countries.

4.14 While no BMC is ineligible for SDF resources, countries in Group 1 do not receive a country allocation (see Table 6 – Country Groups and Terms of Lending for SDF 10). As in SDF 9, Group 1 will benefit from regional projects, support for RPGs and capacity-building initiatives. They are also eligible for highly poverty-focused projects such as Country Poverty Assessments and the preparation of National Poverty Reduction Strategies, and for emergency assistance in the event of a natural hazard.

4.15 It is proposed that access to Group 1 countries be extended in SDF 10 to include:

- (a) ex-ante disaster preparedness under DIMSOG 2021, as a critical preventative component to enhance resilience, up to a maximum of \$750,000 per intervention; and

- (b) support for sustainable energy (EE/RE) initiatives given the lack of energy supply security linked to over-reliance on high cost fossil fuels and the need to reduce carbon intensity.

4.16 The amounts for projects and initiatives stipulated in 4.14 and 4.15 (b) will not normally be larger than their own contribution to SDF 10 except for emergency disaster assistance. Group 1 countries will be eligible for emergency assistance, IRLs and RRLs as stipulated in Chapter 3 Table 4: DiMSOG 2021, of this report.

4.17 Contributors agreed, in principle, to allow Montserrat, a Group 1 country, to participate in BNTF 10, on the basis of exceptional circumstances that have given rise to the country's dependence on grants to support recurrent expenditure and finance social and economic infrastructure.

4.18 In light of the ongoing economic and fiscal challenges confronting BMCs, coupled with ongoing effort being made among MDBs, to restrict non-concessional debt growth for low- and middle-income countries at risk of high debt distress, *Contributors* approved lending rates and tenors applicable to SDF 10 loans which increases the concessionality of SDF 10 lending. Utilising the most recent GDP per capita values^{38/}, the country groups are as follows:

- Group 3 - below \$2,000
- Group 2 - \$2,001 to \$10,000
- Group 1 - above \$10,000

The corresponding terms of lending for SDF 10 are shown in Table 6 below.

TABLE 6: COUNTRY GROUPS AND TERMS OF LENDING FOR SDF 10

Country Group	Country	Terms of Lending
Group 1 <i>(Mainly OCR)</i>	Anguilla Antigua and Barbuda Bahamas, The Barbados British Virgin Islands Cayman Islands Montserrat ^a St. Kitts and Nevis Trinidad and Tobago Turks and Caicos Islands	Interest rate – 1% Maximum Grace Period – 5 years Maximum Overall Maturity – 25 years
Group 2 <i>(Blend of SDF and OCR)</i>	Belize Dominica Grenada Guyana Jamaica St. Lucia St. Vincent and the Grenadines Suriname	Interest rate – 0.75% Maximum Grace Period – 5 years Maximum Overall Maturity – 35 years
Group 3 <i>(Mainly SDF)</i>	Haiti ^b	Interest rate – 0.75% Maximum Grace Period – 10 years Maximum Overall Maturity – 40 years

^aMontserrat will be given limited access to BNTF resources

^bSet-aside allocation will be used instead of the resource allocation formula

^{38/}GDP per capita, taken from the United Nations Statistical Division, applies a three-year moving average (2016-18).

4.19 *Contributors* noted that SDF has traditionally included grant financing, as particularly appropriate for certain types of activity, such as BNTF, capacity building, RPGs, immediate disaster response, and was the appropriate form of financing for Haiti as a fragile state. *They* agreed that grants continued to be important for these purposes and for support to some development areas, as reflected in the programme allocations.

Contribution Framework and Procedures

4.20 *Contributors* agreed to continue past practice with respect to contribution procedures, as set out further in the Replenishment Resolution. Each Contributor is expected to deposit with the Bank, an Instrument of Contribution in respect of that Contributor's agreed contribution as set out in Table 7 – Estimated Contributions to SDF 10, with the final date for such deposit set as June 30, 2021, or such later date as the Bank and the Contributors may agree. Each Instrument of Contribution will become effective on the date of deposit with the Bank.

4.21 Where a Contributor has indicated that its obligation will be denominated in a currency other than the US dollar, the exchange rate used to determine the amount in the unit of obligation is the average daily exchange rate for the six-month period ending June 30, 2020.

4.22 *Contributors* underlined the importance of continuing efforts to ensure additional contributions to SDF. Such funding would make it possible to increase the resources and programme levels for SDF 10 and contribute to the funding of subsequent replenishments.

4.23 *Contributors* noted that the *Rules for the Special Development Fund* provided that procurement of goods and services for projects financed from SDF resources should be open to Member Countries and Substantial Contributors. This provides for the possibility of additional Contributors who may not at the time be members. *Contributors* recommended that the past practice in this regard of also inviting a Contributor to participate in discussion on the use of SDF resources as an Observer at Meetings of the BOD and other meetings dealing with these matters be continued in the event of such contributions.

TABLE 7: ESTIMATED CONTRIBUTIONS TO SDF 10

	Relative Share*	Contributions ¹	Unit of Obligation	Amount in Unit of Obligation	Notes
	%	(\$ '000)		('000)	
Trinidad and Tobago	5.13	11,291	USD	11,291	
Jamaica	5.90	12,984	USD	12,984	
Guyana	3.28	7,231	USD	7,231	
The Bahamas, Commonwealth of	3.28	7,231	USD	7,231	
Barbados	1.82	4,000	USD	4,000	
Suriname	3.28	7,231	USD	7,231	
Antigua and Barbuda	0.81	1,773	USD	1,773	
Belize	0.81	1,773	USD	1,773	
Dominica, Commonwealth of	0.81	1,773	USD	1,773	
Grenada	0.81	1,773	USD	1,773	
St. Kitts and Nevis	0.81	1,773	USD	1,773	
St. Lucia	0.81	1,773	USD	1,773	
St. Vincent and the Grenadines	0.81	1,773	USD	1,773	
Cayman Islands	0.35	778	USD	778	
Anguilla	0.35	778	USD	778	
Turks and Caicos Islands	0.35	778	USD	778	
British Virgin Islands	0.35	778	USD	778	
Montserrat	0.35	778	USD	778	
Haiti	0.53	1,163	USD	1,163	
<i>Sub-total</i>	30.62	67,432	USD	67,432	
Brazil	-	-	-	-	
Colombia	1.59	3,500	USD	3,500	
Mexico	1.62	3,567	USD	3,567	
Venezuela	1.62	3,567	USD	3,567	
<i>Sub-total</i>	4.83	10,634		10,634	
Canada	27.09	59,659	Canadian \$	81,411 ²	
United Kingdom	12.02	26,475	Pound Sterling	21,000 ³	
Germany	6.21	13,666	Euro	12,400 ⁴	
Italy	1.46	3,213	Euro	2,915 ⁴	
China, People's Republic of	3.23	7,107	RMB	50,000 ⁵	
<i>Sub-total</i>	50.01	110,120			
Agreed Contributions	85.47	188,186			
Structural Gap	14.53	32,004			
Total	100	220,190			

- Contributions are subject to Parliamentary/Congressional and Budgetary approval
- CDN\$1.3646 = \$1 - Average daily exchange rate for 6-month period ending June 30, 2020
- GBP1= \$1.2607 - Average daily exchange rate for 6-month period ending June 30, 2020
- Euro1= \$1.1021 - Average daily exchange rate for 6-month period ending June 30, 2020
- RMB ¥7.0353= \$1 - Average daily exchange rate for 6-month period ending June 30, 2020

Financing of the Structural Gap

4.24 *Contributors* agreed to invite potential new members or additional Contributors to seek out new contributions to assist in bridging the structural gap. *Contributors* also noted that the structural gap could be closed by higher internally generated resources, as well as by additional contributions from existing Contributors who, on account of more favourable economic conditions could provide supplementary resources. They also *expressed* the hope that some Contributors might be in a position to agree to the early encashment of Notes, and thereby contribute to increased income by the investment of such funds for the period before they are needed to meet disbursements on outstanding commitments. *Contributors also agreed* that, where possible, they would endeavour to accelerate payments under SDF 10 and to make payments in cash rather than Notes.

5. RESULTS MONITORING FRAMEWORK FOR SDF 10

5.01 Progress on the Bank's SDF 10 operations will be monitored and tracked at three levels (Levels 1-3) in the SDF 10 RMF. SDF 10 indicators are specific to expected development results in countries in Groups 2 and 3 and to programmes and projects which are wholly or partly funded by the SDF. The SDF 10 RMF, which is distilled from the Bank's corporate RMF, is supported by data and information from various project-cycle management tools, resource documents and information systems. Indicators at Level 4, which address the overall efficiency of the Bank, will be tracked and monitored in the corporate RMF and assessed in the annual DER.

5.02 In this regard, some new indicators have been included in the RMF to better capture the output/outcomes of interventions related to strategic themes and areas under the proposed SDF 10 Programme. These include the adjusted head count index, the HDI, the income adjusted HDI, and social protection expenditure as a percentage of GDP. These indicators will further facilitate the multi-dimensional and gender-sensitive analysis of poverty at the macro, meso and micro levels.

5.03 **Level 1 - Progress towards SDGs and Regional Development Outcomes** tracks regional progress on poverty and income inequality, education and training, unemployment, intra-regional trade, doing business or business competitiveness, affordable and clean energy, climate action, youth development, and good governance. Indicators at this first level of the RMF are consistent with priorities highlighted in the 2030 Agenda including SDGs 1, 4, 6, 7, 8, 10, and 13. Performance in relation to the indicators and targets at Level 1 reflects the results of combined efforts of BMCs and other international development partners. This information provides a regional context and direction for CDB's interventions (projects, policy-based loans, TAs) in line with its strategies and policies. Refer to Appendix 5 – Proposed Results Monitoring Framework for SDF 10 for full details on the changes at the three levels of the RMF.

5.04 **Level 2 - CDB Contribution to Development Outcomes:** Indicators at this level are grouped in accordance with the themes and cross-cutting areas outlined in the SDF 10 Programme, namely, Building Social Resilience and Leaving No One Behind; Building Economic Resilience for Inclusive Growth; Building Environmental Resilience; GE; Promoting Regional Cooperation and Support for RPGs; and Good Governance. The indicators are consistent with the core message of the Bank's Strategic Plan 2020-24, as well as the SDG Agenda which focuses on 17 interconnected goals geared at building resilient capacities and achieving resilient development outcomes – particularly SDG 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, and 17. The RMF at this level also provides for the monitoring of BNTF contribution to development outcomes, as well as increasing performance measurement and new indicators in the areas of agriculture and rural development, CC and DRR, and governance and accountability. Beneficiaries of SDF-funded initiatives at Level 2 will be disaggregated by sex, age and disability, where possible.

5.05 **Level 3 - How well the Bank manages its operations:** A key internal factor underpinning a stronger, more agile and responsive CDB is its operational efficiency and effectiveness. The Bank recognises that it can only increase its contribution to country and regional outcomes and overall development effectiveness by continuing to improve its operational performance. This involves, high-quality country strategies, well-designed projects and programme, satisfactory supervision; and lesson sharing to guide improvement of future strategies and projects.

5.06 Overall, **Level 3** of the RMF measures operational performance through four categories of indicators covering operational processes and practices, and portfolio performance; quality of new and ongoing operations and development outcomes; resource allocation and utilisation; and selectivity and strategic focus. These indicators will help to ensure that *inter alia* CDB prepares and designs high-quality products that will contribute to better strategic planning, improve project readiness, and ultimately improve project implementation periods. Indicators will also facilitate better tracking of the efficiency with which the Bank makes resources available to its BMCs.

5.07 In this regard, eight new indicators have been added to measure and monitor the quality and impact of SDF interventions through capital loans and grants, policy-based loans, TAs, as well as Country Engagement Strategies. By monitoring and managing improvements on Level 3 indicators, CDB/SDF will be in a better position to assist BMCs in the timely delivery of projects outputs and outcomes resulting in improvement in Level 2 indicators.

6. IMPLEMENTATION OF SDF 10

6.01 *Contributors* and the Bank have laid great emphasis on the primary objectives of building social, economic and environmental resilience, reducing poverty and inequality, and transforming lives. The SDF 10 programme will also focus on assisting BMCs to accelerate progress towards the SDGs in the countdown to 2030. In particular, the Bank will support the achievement of SDG targets relevant to the Caribbean and specific to SDGs 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16 and 17. The successful implementation of an increased level of well-targeted SDF operations during SDF 10 is an opportunity for the Bank/SDF to further its objectives in the areas of Social Protection, GE, DRM and CC, and private sector development including MSME growth.

6.02 The challenges and the risks for BMCs and the Bank in pursuit of these objectives are considerable, and are especially magnified by the negative impacts of COVID-19. Careful and well-managed implementation of the SDF 10 Agreement, including focus on the agreed priorities for the use of limited resources, will be imperative for achieving the expected results.

6.03 *Contributors* and the Bank agreed on an Implementation Plan for SDF 10 structured in terms of the agreed themes and cross-cutting areas with monitoring parameters and target timeframes/dates in each area.

6.04 The Implementation Plan focuses on a relatively small number of key guidelines that are critical to the attainment of SDF 10 objectives: aligning the operational programme with strategic themes and crosscutting areas, within available resources and capacity; ensuring that country programme planning is based on performance as well as needs; on results-based country engagement strategies; and that TA operations are increasingly targeted at strategic priorities and results.

6.05 The implementation steps and milestones in the SDF 10 Implementation Plan are shown in Box 5.

BOX 5: SDF 10 IMPLEMENTATION PLAN

OBJECTIVE	PROPOSED ACTIONS	MONITORING PARAMETERS	TARGET DATE
<p>1. Building Social Resilience Leaving No One Behind: <i>Addressing the Challenges of Poor and Vulnerable Communities and Countries (whose conditions have been made worse by COVID-19) and contributing directly and indirectly to the Achievement of SDGs 1, 2, 4, 5, 6, 8, 10, and 11.</i></p>	<p>Targeting poverty and inequality</p>		
	<p>1.1 BNTF 10 programme developed and rolled out to target initiatives focused on responding to the impact of COVID-19 on communities in PCs. These initiatives will include the area of livelihoods and economic empowerment, particularly targeted towards women and youths.</p>	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Reports • Staff Report BNTF 10th Programme 	<ul style="list-style-type: none"> • Annually • Annually • 2021
	<p>1.2 Formulation of the ECPA programme in six BMCs to improve their capacity and capability to collect, analyse and publish both economic and social statistics.</p>	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Reports • ECPAs 	<ul style="list-style-type: none"> • 2021-24 • 2021-24 • 2021-24
	<p>1.3 Develop Country Engagement Strategy for Haiti and strengthen capacity for operations in Haiti.</p>	<ul style="list-style-type: none"> • Haiti’s Country Engagement Strategy • SDF MTR 	<ul style="list-style-type: none"> • 2021 • 2023
	<p>1.4 Assisting BMCs to support community-enabled psychosocial and mental health services to mitigate the impacts of COVID-19 and future threats.</p>	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	<p>1.5 Strengthening the analysis of the social impacts of COVID-19 and identify entry points to support BMCs in their efforts to enhance social protection and build social and economic resilience.</p>	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021 • 2021-24
	<p>1.6 Support BMCs to operationalise inclusive distance education/e-learning systems for learning continuity, targeting the provision of ICT devices and internet access; capacity-building of teachers and principals to deliver inclusive and high-quality online teaching; and curriculum content, including learning packages for PWDs and other SEN. Support will also focus on capacity building for parents to assist and enable distance education and digital learning, school nutrition programmes for at-risk children and youth, and improving access to water and hygiene products in the locations where learning is accessed.</p>	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report • MTR 	<ul style="list-style-type: none"> • 2021-24 • 2021-24 • 2023
	<p>1.7 Support interventions in the agriculture and rural sector which reduce the Region’s dependence on food imports; enhance access to markets (national, regional and international); support the development of protocols to facilitate inter-regional trade; improve food and nutrition security outcomes; support agriculture infrastructure upgrade; and support climate-resilient agriculture.</p>	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report • MTR 	<ul style="list-style-type: none"> • 2021 -24 • 2021 -24 • 2023

OBJECTIVE	PROPOSED ACTIONS	MONITORING PARAMETERS	TARGET DATE
	1.8 Actions in the Water and Sanitation sector will be focused on updating governance arrangements, mainstreaming CC in sector planning, establishing transparent mechanisms for adequate tariff provision; improving data collection and data use; enhancing integrated water resource management including data collection and use; enhancing the performance and efficiency of water utilities focusing on non-revenue water reduction, energy inefficiency, and upgrading ageing infrastructure; and capacity building and sensitisation for climate-resilience.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report • MTR 	<ul style="list-style-type: none"> • 2021-24 • 2021-24 • 2023
	1.9 Support youth participation and development in the areas of education and training, citizen security, enterprise development and entrepreneurship.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	1.10 Water and Sanitation Policy and Strategy	<ul style="list-style-type: none"> • Work Programme and Budget • SDF MTR 	<ul style="list-style-type: none"> • 2021 • 2023
2. Building Economic Resilience for Inclusive Growth: <i>Consistent with the targeting of SDGs 5, 8, 9, and 11, 4 actions to meet this objective will be focused on limiting the magnitude of production losses arising from an economic shock, and to recover from such setback over the medium to long-term.</i>	2.1 Increased investment in climate resilient economic infrastructure in BMCs as an essential foundation for increasing inclusive and sustainable growth, expanding employment, and reducing poverty.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	2.2 Improve access to credit and strengthen the regulatory environment and broader eco-system within the private sector.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	2.3 Promoting MSME growth including through the use of de-risking initiatives.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	2.4 Support country-led reforms aimed at improving “Doing Business” ranking scores with emphasis on leveraging technology.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	2.5 Develop and implement a new approach to intermediary lending.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	2.6 Provide support for direct private sector lending and PPPs.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	2.7 Assist BMCs to prepare Climate Finance Readiness Action Plans which will detail the actions necessary to: (a) develop and perform the roles of the National Designated Authority and the National Implementing Entity.	<ul style="list-style-type: none"> • SDF Annual Report • MTR 	<ul style="list-style-type: none"> • 2021-24 • 2023
	2.8 Transportation Sector Policy and Strategy	<ul style="list-style-type: none"> • Work Programme and Budget • SDF MTR 	<ul style="list-style-type: none"> • 2021 • 2023
3. Building Environmental Resilience: <i>through measures that support DRR, Energy Security and</i>	3.1 Increase the capacity of BMCs to pro-actively manage disaster risks and recover from natural hazard events through mainstreaming of DRM into national and priority sector policies and strategies.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24

OBJECTIVE	PROPOSED ACTIONS	MONITORING PARAMETERS	TARGET DATE
<i>the mitigation and adaptation to the effects of CC consistent with the attainment of SDGs 5, 7, 11, 13 and 17.</i>	3.2 Mobilise additional concessionary resources to support BMCs' DRM and climate action agenda.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report • MTR 	<ul style="list-style-type: none"> • 2021-24 • 2021-24 • 2023
	3.3 Production and dissemination of DRM and climate resilience knowledge products.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report • MTR 	<ul style="list-style-type: none"> • 2021-24 • 2021-24 • 2023
	3.4 Develop a pipeline of initiatives for submission to the Green Climate Fund.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	3.5 Extending access to SDF 10 financing modalities for addressing emergency response, and early recovery rehabilitation initiatives to all BMCs.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report • MTR 	<ul style="list-style-type: none"> • 2021-24 • 2021-24 • 2023
	3.6 Scaling-up adaptation and climate resilience in vulnerable communities.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report • MTR 	<ul style="list-style-type: none"> • 2021-24 • 2021-24 • 2023
	3.7 Supporting institutional and capacity building activities to integrate climate risk management into national development planning, investment finance programming and sectoral policies.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	3.8 Assisting BMCs' legal, administrative and governance reforms to build human capital to sustain climate action.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	3.9 Support for capacity-building to strengthen BMCs energy sector governance framework.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	3.10 Support the Development of master plans for the sustainable energy sector in BMCs, in collaboration with other development partners, as an essential first step in providing direction for activities in the sector.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	3.11 Promote RE/EE investments in niche areas linked to: (i) increasing climate resilience in the public sector, and increasing access for low- income target groups (such as those in rural and peri-urban areas) through the installation of solar PV and battery-based micro-grids; and (ii) distributed RE generation for MSMEs and domestic commercial consumers (for pilot as well as full-scale interventions).	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	3.12 Strengthen the energy information and data management systems in two BMCs.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	3.13 Energy Sector Policy and Strategy.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF MTR 	<ul style="list-style-type: none"> • 2021 • 2023

OBJECTIVE	PROPOSED ACTIONS	MONITORING PARAMETERS	TARGET DATE
	3.14 CDB will adopt a target of between 25% and 30% of own resources to go towards climate adaptation and mitigation activities by 2024.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF MTR 	<ul style="list-style-type: none"> • 2021 • 2023
4. Gender Equality (SDG 5)	4.1 Mainstream GE issues in all SDF/CDB programmes and projects.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	4.2 Continue to support gender-responsive and gender-targeted social and economic infrastructure interventions, in particular in education, transportation and water sectors.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	4.3 Undertake an assessment/evaluation of whether the standards set in the GEPOS are being met.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	4.4 Promote initiatives that increase focus on the elimination of GBV, through awareness building, behaviour change and security measures, in particular psychosocial support programmes, life skills training, relevant citizen security interventions, through gender-sensitisation training of contractors in infrastructure projects, gender-responsive projects in disaster situations, and through the provision of better data on the prevalence of GBV in BMCs.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24
	4.5 Support actions that strengthen the economic empowerment of women.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24
	4.6 Develop BMCs' capacities for data collection, as well as working on raising awareness and mitigating the risk of GBV in different sectors, e.g., by encouraging awareness of sexual exploitation and abuse for workers and contractors on CDB-financed projects.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24
	4.7 Strengthening resource-challenged national gender machineries and institutional frameworks, which pose critical impediments to delivering on the regional and national GE commitments.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
5. Good Governance (SDG 16)	5.1 Support for capacity building of national statistical offices and civil society organisations, strengthen development planning systems and embedding a more focused results culture.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
6. Digitalisation Reform	6.1 Assist BMCs to deepen ICT development as an important growth enabler and to improve BMCs' digital adoption index ranking.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
7. Promoting regional co-operation and support for RPGs.	7.1 Supporting efforts for improved intra-regional logistics, including transportation to improve the movement of goods and people.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	<ul style="list-style-type: none"> • 2021-24 • 2021-24
	7.2 Enhancing infrastructure quality to harmonise and provide a framework for mutually recognised standards, technical regulations and conformity assessments.	<ul style="list-style-type: none"> • Work Programme and Budget • Evaluation Documents • SDF MTR 	<ul style="list-style-type: none"> • 2021-24 • 2021-24 • 2023

OBJECTIVE	PROPOSED ACTIONS	MONITORING PARAMETERS	TARGET DATE
	7.3 Developing an RCI Policy and Strategy.	<ul style="list-style-type: none"> • SDF MTR • Work Programme and Budget 	<ul style="list-style-type: none"> • 2023 • 2021
8. Improving Responsiveness	8.1 Develop and implement measures for improving CDB responsiveness to clients and to transfer knowledge to in-country staff about the Bank's requirements for project implementation and disbursements.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	2021-24 2021-24
	8.2 Update Country Engagement Strategies for nine BMCs.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF MTR 	2021-24 2023
	8.3 Roll-out of updated disbursement guidelines.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF Annual Report 	2021-24 2021-24
	8.4 Updating of TAPOS based on recommendations from the TA evaluation.	<ul style="list-style-type: none"> • Work Programme and Budget • SDF MTR 	2021-24 2023

Mid-Term Review of SDF 10

6.06 *Contributors agreed* that there will be an MTR of SDF 10, and that this should take place in early 2023. The objective of the MTR will be to assess progress on implementation of the Replenishment and on progress towards the agreed targets. *Contributors* also agreed that Annual Meetings of SDF Contributors should be used for an interim review of progress and to provide an opportunity for Contributors to maintain a close relationship with SDF 10 implementation and to give consideration to any necessary mid-course adjustments.

6.07 *Contributors* requested the Bank to report through the MTR on progress with respect to the SDF 10 Implementation Plan and strategic priorities on which Contributors and the Bank have agreed, including:

- (a) progress on support for BMCs in accelerating progress toward the SDGs including reducing poverty and inequality; building social, economic and environmental resilience; supporting DRM, environmental sustainability and the CC agenda; and promoting GE, particularly reducing GBV;
- (b) progress in terms of the performance measures in the Bank's RMF and the SDF 10 matrix of priorities, expected outcomes and results indicators;
- (c) progress with respect to BNTF 10, as the flagship programme for community-based poverty reduction and inclusive social and economic development;
- (d) progress and challenges in implementing a more structured and focused approach to support RCI;
- (e) progress in operationalising a more strategic approach to TA operations, including in support of good governance and institutional strengthening;
- (f) progress and challenges in strengthening the operational programme for Haiti, with its special needs as a fragile state;
- (g) resource availability and commitment authority for SDF 10 at mid-term; and
- (h) such other relevant issues as may arise or be requested by Contributors.

LIST OF MEETINGS HELD AND DOCUMENTS REVIEWED BY CONTRIBUTORS

DATES	TENTATIVE AGENDA
Preparatory Meeting December 13, 2019	<ol style="list-style-type: none"> 1. SDF 10 Replenishment Negotiations – Themes, Issues and Timeline 2. SDF 9 MTR and Management Response 3. Status Report on the Implementation of SDF 9 4. BNTF 9 Mid-term Evaluation 5. Merging the SDF and OCR: A risk-based assessment of Pros and Cons 6. GEPOS Action Plan
First Meeting April 1, 2020	<ol style="list-style-type: none"> 1. SDF 10: Replenishment Revised Strategic Focus Paper 2. Basic Needs Trust Fund Seventh and Eighth Programmes – Final Report 3. Position Paper - From Fragility to Resilience in Haiti 4. Gender Equality Action Plan 2020-2024 5. Reforming Access to Concessional Finance – Options and Strategy 6. Outline of SDF 10 Contributors Report
Second Meeting September 25, 2020	<ol style="list-style-type: none"> 1. Proposal to Modify the Terms of On-Lending of the Special Development Fund (Unified) 2. Linking the Revised Disaster Management Strategy and Operational Guidelines to the Special Development Fund (Presentation) 3. Framework Paper: Social Protection for Building Resilience and Transforming Lives 4. Level of Resources and Commitment Authority for the Special Development Fund – Tenth Cycle 5. Draft Resolution and Report of Contributors on the Special Development Fund (Tenth Cycle)
Third Meeting December 11, 2020	<ol style="list-style-type: none"> 1. Revised Resolution and Report of Contributors on the Special Development Fund (Tenth Cycle) 2. Revised Level of Resources and Commitment Authority for the Special Development Fund – Tenth Cycle
Fourth Meeting January 29, 2021	<ol style="list-style-type: none"> 1. Resolution and Report of Contributors on the Special Development Fund (Tenth Cycle)

SELECTED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND MEANS OF ACHIEVEMENT

	Sustainable Development Goals	Targets	Means of Achievement
SDG 1	End poverty in all its forms everywhere.	1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 per day.	1a. Ensure significant mobilisation of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries (LDCs), to implement programmes and policies to end poverty in all its dimensions
		1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.	1b. Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender sensitive development strategies, to support accelerated investment in poverty eradication actions.
		1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.	
SDG 2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	2.1 By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.	2a. Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular LDCs.
		2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to CC, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.	
SDG 4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.	4a. Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all.
		4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.	4c. By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially LDCs and SIDS.

SELECTED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND MEANS OF ACHIEVEMENT

	Sustainable Development Goals	Targets	Means of Achievement
		4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.	
		4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	
		4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including PWD, indigenous peoples and children in vulnerable situations.	
		4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy.	
SDG 5	Achieve GE and empower all women and girls.	5.1 End all forms of discrimination against all women and girls everywhere.	5a. Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.
		5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.	5c. Adopt and strengthen sound policies and enforceable legislation for the promotion of GE and the empowerment of all women and girls at all levels
SDG 6	Ensure availability and sustainable management of water and sanitation for all.	6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all.	6a. By 2030, expand international cooperation and capacity-building support to developing countries in water and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies.
		6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.	6b. Support and strengthen the participation of local communities in improving water and sanitation management.
		6.4 By 2030, substantially increase water use efficiency across all sectors and ensure	

SELECTED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND MEANS OF ACHIEVEMENT

	Sustainable Development Goals	Targets	Means of Achievement
		sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.	
SDG 7	Ensure access to affordable, reliable, sustainable and modern energy for all.	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services.	7a. By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including RE, EE and advanced and cleaner fossil fuel technology, and promote investment in energy infrastructure and clean energy technology.
		7.2 By 2030, increase substantially the share of RE in the global energy mix.	7b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular LDCs, SIDS and landlocked developing countries, in accordance with their respective programmes of support.
		7.3 By 2030, double the global rate of improvement in energy efficiency.	
SDG 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7% GDP growth per annum in the LDCs.	8a. Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade related Technical Assistance to Least Developed Countries.
		8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour intensive sectors.	
		8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of MSMEs, including through access to financial services.	
		8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and PWD, and equal pay for work of equal value.	

SELECTED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND MEANS OF ACHIEVEMENT

	Sustainable Development Goals	Targets	Means of Achievement
		8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training.	
		8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.	
		8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.	
SDG 9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human wellbeing, with a focus on affordable and equitable access for all.	9b. Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities
		9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.	9c. Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.
		9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	
SDG 10	Reduce inequality within and among countries	10.1 By 2030, progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average	
		10.4 Adopt policies especially fiscal, wage, and social protection policies and progressively achieve greater equality	

SELECTED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND MEANS OF ACHIEVEMENT

	Sustainable Development Goals	Targets	Means of Achievement
SDG 11	Make cities and human settlements inclusive, safe, resilient and sustainable	11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.	11b. Substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels.
		11.3 By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.	
SDG 13	Take urgent action to combat climate change and its impacts.*	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	13b. Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing States, including focusing on women, youth and local and marginalised communities
		13.2 Integrate climate change measures into national policies, strategies and planning.	
		13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	
SDG 14	Conserve and Sustainably use the oceans, seas and marine resources.	14.7 By 2030 increase the economic benefits to SIDS and LDCs from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism.	Provide access of small-scale artisanal fishers to marine resources and markets
SDG 16	Promote just, peaceful and inclusive societies.	16.6 Develop effective, accountable and transparent institutions at all levels.	
		16.7 Ensure response, inclusive and participatory and representative decision making at all levels.	
SDG 17	Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development.	17.1 Strengthen domestic resource mobilisation, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.	

SELECTED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND MEANS OF ACHIEVEMENT

	Sustainable Development Goals	Targets	Means of Achievement
		17.13 Enhance global macroeconomic stability, including through policy coordination and policy coherence.	
		17.15 Respect each country’s policy space and leadership to establish and implement policies for poverty eradication and sustainable development.	
		17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries	
		17.17 Encourage and promote effective public, public/private and civil society partnerships, building on the experience and resourcing strategies of partnerships.	
		17.18 By 2020, enhance capacity-building support to developing countries, including for LDCs and small island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts.	
		17.19 By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries.	

ESTIMATED LOSS FROM NATURAL DISASTER EVENTS BY COUNTRY - 2009-2019



**STRATEGIC AREAS OF SELECTIVITY AND FOCUS FOR
CDB'S INTEGRATED SOCIAL PROTECTION FRAMEWORK**

Preventive Social Protection

Supporting Rural/Agricultural MSME Production/Productivity, Including Strengthening Linkages to Markets

School Feeding/Nutrition Programmes and School Kitchen Gardens

Access to Quality Early Childhood Development (ECD) Services For the 0-8 Age Cohort

Strengthening Teaching Capacity to provide inclusive, Effective Differentiated Instruction Which Caters to the Divergent Learning needs of All Students

Transformative Social Protection

Supporting Policy, Institutional and Programmatic Reforms which Provide for Inclusive and High Quality Education Services for Adolescent Mothers and Fathers from Primary to Tertiary Education

Technical Assistance for the Institutional Strengthening of Social Protection Systems among BMCS

Development of Policies, Strategies and Action Plans to Mainstream Gender Equality, Youth and Persons with disabilities in CDB Operation and Work.

Promotional Social Protection

Prevention and Treatment of Communicable and Non-Communicable Diseases such as HIV/AIDS, Tuberculosis, Malaria, Obesity, Hypertension and Diabetes

Life Skills Education Programs such as the CARICOM Health and Family Life Education Programme Developed for the Caribbean

Addressing Gender Based Violence with Special Focus on all forms of Violence towards Women and Girls

Gender-Sensitive Mental Health and Psychosocial Support to Strengthen well-being and Resilience of citizens

Protective Social Protection Programmes

Labour Markets Programmes Aiming to Promote Gender Responsive Employment Creation and Productivity Growth while Protecting Code Labour Standards and ensuring adequate working conditions

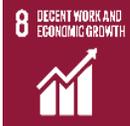
Expanding Student Support/Welfare Services, including counseling and Early Screening and Intervention Programmes

Addressing Gender Based Violence with Special Focus on all forma of Violence towards Women and Ensuring that all Educational Facilities are Disability Accessible

Social Care Services to Support and Enable Citizens, Including Family Support Services and Home Based Care for Persons with Disabilities, Older Persons and Children

PROPOSED RESULTS MONITORING FRAMEWORK FOR SDF 10 – 2021-2024

RMF LEVEL 1: Progress towards Sustainable Development Goals and Regional Development Outcomes

Grouping/indicator	BMCs			Related SDG
	Baseline		Target	
	Year	Value	2024	
Building Social Resilience and Leaving No One Behind				
1. MPI [Headcount (%)] - Haiti	2016	TBD ^{39/} 41.3	TBD TBD	 
2. Adjusted Headcount Index - Haiti	2006-2019	30.0 58.5	30.0 58.5	
3. Human Development Index (HDI) - Haiti	2019	0.7 0.5	0.7 0.5	
4. Inequality Adjusted HDI - Haiti	2019	19.5 40.5	19.5 40.5	
5. Social Protection expenditure as a percentage of GDP - Haiti	2016-2019	2.4 TBD	3.5 TBD	
6. GDP per capita growth rate (%) - Haiti	2019	1.7 -1.5	>1.7 >-1.5	
7. Secondary school graduates achieving five CXC General Proficiency or equivalent in National Assessment passes or more, including Mathematics and English (%) - Female - Male - Haiti	2018	38.7 31.8	65.0 65.0	
8. Students completing at least one Level 1 course in TVET (%) - Female - Male - Haiti	2018	45.9 59.8 TBD	100 100 TBD	
9. National unemployment rate (%) - Female - Male - Haiti	2019	16.3 12.9 13.9	TBD TBD TBD	
10. Youth unemployment rate (%) - Female - Male - Haiti	2017	26.4 13.4	<26.4 <13.4	
11. Youth employment to population ratio (%) - Female - Male - Haiti	2019	21.2 38.6 23.3	<21.2 <38.6 <23.3	

^{39/} TBD- to be determined. The targets for Indicators 1 and 2 will be provided after the completion of the Enhanced CPA exercise.

RMF LEVEL 1: Progress towards Sustainable Development Goals and Regional Development Outcomes

Grouping/Indicator	BMCs			Related SDG
	Baseline		Target	
	Year	Value	2024	
Building Economic Resilience for Inclusive Growth				
12. Intra-regional trade as a percentage of total regional trade (%) - Haiti	2018	14.0 n.a.	18 n.a.	
13. Doing business average Distance to Frontier score (out of 100) - Haiti	2019	55.8 40.7	74.0 TBD	
Building Environmental Resilience				
14. RE as a % of total energy mix produced - Haiti	2018	20 19	30 30	
15. Greenhouse gas emissions per capita (metric tons per capita) - Haiti	2014	3.6 0.81	3.9 0.64	
16. Reported economic losses resulting from natural disasters and climate variability (% of GDP, 3-year average) - Haiti	2017-2019	8.6 0	<1.5	
Vulnerability and Building Resilience				
17. Multidimensional Vulnerability Index (0-1) ^{40/} - Haiti	2018	0.56 0.71	TBD TBD	
Good governance				
18. Governance Index (-2.5 to 2.5) ^{41/} - Haiti	2019	0.12 -1.18	0.14 >-1.18	

^{40/} The vulnerability scoring system ranges from 0 to 1 and involves four categories, namely, Low Vulnerability (0 to 0.33); Medium-low Vulnerability (0.34 to 0.49); Medium-high Vulnerability (0.50 -0.69); and High Vulnerability (0.70 to 1.00).

^{41/}The governance index ranged from -2.5 to 2.5 and involves six categories: Voice and Accountability, Political Stability and Absence of Violence/Terrorism, Government Effectiveness, Regulatory Quality, Rule of Law, Control of Corruption

RMF LEVEL 2: CDB's Contribution to SDGs, Country, and Regional Development Outcomes

Grouping/indicator	Projected 2017-2020	Actual 2017-2019	Projected 2021-2024		Related SDG
			Regional Projects & Groups 2 and 3 Countries	BNTF	
Building Social Resilience and Leaving No One Behind					
Education and training - Improving access to quality, inclusive, and equitable education, and training					
1. Classrooms and educational support facilities built or upgraded according minimum standards (number), of which	1,299	473	1,822	281	SDG 4 SDG 5 SDG 8
(a) Basic	n.s.	428	1,519	281	
(b) Post-secondary and tertiary	n.s.	45	303	-	
(c) Haiti			580	-	
2. Teachers and principals trained or certified (number)	9,286	3,339	10,302	120	
-of whom female	n.s.	n.s.	7,187	50	
- Haiti			3,060	n.s.	
-of whom female			0		
3(a). Students benefitting from improved physical classroom conditions or enhanced teacher competence, or access to loan financing (number)	198,900	107,497	182,559	20,502	
- of whom female	n.s.	53,492	90,605	1,509	
-Haiti			74,670	n.s.	
--of whom female			38,082		
3(b) Beneficiaries of skills training activities under BNTF (number)	-	-	2,570	2,570	
-of whom are female			1,509	1,509	
Agriculture and rural development- Promoting sustainable agriculture and rural development					
4. Agriculture: Stakeholders trained in improved production technology (number)	2,600	1,038	2,000		SDG 2 SDG 5 SDG 8
- of whom female	n.s.	378	890		
- Haiti	n.s.	-	2,000		
of whom female		378	890		
5. Land improved through irrigation, drainage and/or flood management (hectares)	2,900	285	1,000		
- Haiti	n.s.	-	900		
6. Beneficiaries of improved agriculture, land management and land conservation climate smart agricultural practices (number)	-	-	2,200		
-of whom female			n.a.		
-Haiti			2,200		
of whom female	n.s.	-	n.a.		
Water and Sanitation– Improving access to safe, reliable, and sustainable water and sanitation services					
7. Water: Installed water capacity (cubic metres/day)	120,000	26,736	23,649	2,049	
- Urban	73,842	0	-	-	
- Rural	54,788	26,736	21,600	2,049	SDG 5 SDG 6 SDG 11
8. Water: Supply lines installed or upgraded (length of network in km)	950	119	103.3	63	
- Urban	898	0	15	-	
- Rural	52	119	88.3	63	
9. Water: Households with access to improved sanitation and water supply (number)	18,400	17,891	62,467	4,767	

Grouping/indicator	Projected 2017-2020	Actual 2017-2019	Projected 2021-2024		Related SDG	
			Regional Projects & Groups 2 and 3 Countries	BNTF		
-Urban	11,040	0	46,600	-		
-Rural	7,360	17,891	15,867	4,767		
-female (disaggregated by sex/head of household)	n.s.	n.s.	354	25		
Citizen Security						
10. Beneficiaries of community-based citizen security interventions (number)	248,768	18,318	2,850		SDG 4 SDG 10 SDG 16	
-of whom female	n.s.	9,157	1,450			
11. Beneficiaries of youth at risk interventions (number)	31,085	934	2,550		SDG 16	
- of whom female	n.s.	459	1,275			
Community Development and Participation – Improving access to basic social infrastructure and services						
12. Communities: Beneficiaries of community infrastructure construction and enhancement projects (number)	125,780	38,323	38,158	5,842	SDG 5 SDG 9 SDG11	
- of whom female beneficiaries	n.s.	21,336	19,165	3,935		
Building Economic Resilience for Inclusive Growth						
Economic Infrastructure – Increasing the provision of quality, reliable, safe, sustainable, and resilient infrastructure					Related SDG	
13. Sea defences, landslip protection, and urban drainage (km)	8.0	4.5	3.7	-	SDG 5 SDG 8 SDG 9	
14. Transport: Primary, secondary, and other roads built or upgraded (km)	222	68.3	184	15		
15. Beneficiaries (direct) of resilient and gender-responsive infrastructure construction or enhancements (number)	120,000	233,494	415,368	13,268	SDG 5 SDG 11 SDG 14	
- of whom female	63,000	118,136	201,500	6,824		
Private sector operations and MSMEs – Promoting private sector operations and MSMEs						
					Related SDG	
16. Value of credit made available to the private sector (\$ mn) (disaggregated by sector)	43.0	10.6	2.4		SDG 5 SDG 8 SDG 9	
17. MSMEs benefitting from credit (number) - of which female owned	280 n.s.	115 9	18 7			
18. Beneficiaries of mortgage programmes (number) - of whom female borrowers	194 n.s.	109 37	0 0			
19 (a). Beneficiaries of TA interventions targeted at MSMEs (number) - of whom female beneficiaries	6,075 3,622	2,391 1,044	3,300 1,650			
(b) Beneficiaries from CTCS interventions - of whom female	n.s. n.s.	n.s. n.s.	2,800 1,400			
(c) Beneficiaries of CIIF interventions -of whom female	n.s. n.s.	n.s. n.s.	500 250			
Improving private sector development and competitiveness						
20. No. of institutional reforms towards enhanced business climate and competitiveness of MSMEs - Compete Caribbean	3	6	4			
21. BMCs with increased capacity to undertake PPP arrangements (number)	12	5	13			

Grouping/indicator	Projected 2017-2020	Actual 2017-2019	Projected 2021-2024		Related SDG
			Regional Projects & Groups 2 and 3 Countries	BNTF	
Building Environmental Resilience					
Energy – Increasing access to reliable, affordable, and modern energy (energy security)					
22. Energy: Conventional or renewable power generation capacity installed (MW)	14	1.54	4.1	0.1	SDG 5 SDG 7 SDG 11 SDG 13
- of which renewable (MW)	8.5	0.01	4.00	-	
23. Greenhouse gas emissions reduction (t CO ₂ equivalent/year)	-	-	26,000	-	
24. Energy savings as a result of EE and RE interventions (GWh)	15.9	21.9	36.3	0.3	
25. Transmission or distribution lines installed or upgraded (length in km)	130	667	30	-	
Increasing resilience and adaptive capacity of national and local institutions and communities to disaster risk and climate change impacts					
26. No of BMCs with strengthened resilience and gender responsive adaptive capacity to climate related hazards (including DRR strategies)	-	-	4		
27. Additional communities with improved capacity to address climate change and DRM (number) ^{42/} - beneficiaries (female)	-	-	4		
Other Indicators – Cross cutting areas					
Governance and accountability					
28. Ministries, departments and agencies with improved public financial management systems and public sector investment programmes (PSIPs) and public service delivery ^{43/} (number)	-	-	18		SDG 16
RCI – Enhancing economic integration and deepening cooperation					
29. Regional public goods created or strengthened (e.g. statistical capacity, quality standards, procurement, and debt relief) (number)	8	7	3		SDG 5 SDG 8
30. Trade facilitation measures created, strengthened, or expanded (number)	9	15	5		SDG 9

^{42/} At least one agriculture climate resilience initiative financed by the Adaptation Fund is expected to be completed over the strategy period. The initiative will directly benefit 11 communities and some 78 surrounding sub-communities. CDB will continue to seek funding to respond to the disaster risk reduction and climate resilience needs of communities. As a result, the target for this indicator will be reviewed and updated accordingly.

^{43/} This indicator speaks to initiatives in 19 BMCs.

RMF Level 3: How Well CDB Manages its Operations

Grouping/Indicator	Baseline		Target (2024)
	Year	Value	
Strengthening operational processes and practices, and improving portfolio performance			
1. Portfolio performance rating for implementation (% rated Highly Satisfactory to Satisfactory)	2019	97	98
2. Completed projects/loans with timely PCRs (%)	2019	100	100
3. Projects at risk (% of portfolio)	2019	10	5
4. Average time taken from appraisal mission to first disbursement (months)	2019	12	6
5. Projects under implementation with extensions (revised final disbursement date) (%)	2019	62	50
6. Average length of project extension (month)	2019	36	24
Enhancing quality of operations and development outcomes			
7. Quality of new loans and grants appraised (Score)			
(a) Investment loans	-	-	2.5 - 3.25
(b) PBLs	-	-	2.5 - 3.25
(c) TAs	-	-	2.5 - 3.25
8. Quality of CSPs (Score)	-	-	2.5 - 3.25
9. Completed operations rated Satisfactory and Highly Satisfactory			
(a) Investment/capital loans and grants (%)	-	-	90
(b) TAs (%)	-	-	70
(c) PBLs (%)	-	-	95
10. Completed CSPs rated Satisfactory and Highly Satisfactory (%)	-	-	80
Resource allocation and utilisation			
11. Concessional resources allocated according to performance-based allocation system (%)	2019	58	65
12. Disbursement ratio (%)	2019	13	15
13. Disbursement (efficiency) rate (%)	2019	142	100
Improving Selectivity and Strategic focus			
14. Financing directed to less developed BMCs (% , three-year average)	2017-2019	78	80
15. Approved country strategies in use with results frameworks (number)	2019	5	9
16. Approved projects with gender ratings (as a % of total projects)			
(a) Approved projects rated as gender mainstreamed	2019	70	90
(b) Approved projects rated as gender specific	2019	0	10
17. Percentage of all projects under the Gender Action Plan (2020-2024) achieve expected gender outputs	2019	-	80
18. Investment projects with climate-informed design or CVRA (%)	2019	100	100
19. SDF Approvals supporting (as a % of total SDF financing):			
(a) Environment, RE, EE, and climate change (supporting climate adaptation and mitigation)	2017-2019	72	75
(b) RCI	2017-2019	16	18
(c) Private sector development	2017-2019	3	5
(d) Governance and capacity building	2017-2019	-	1-2
(e) Data collection and analysis	2017-2019	-	1-2
(f) Gender equality and GBV	2017-2019	-	1-2

PROPOSED RESULTS MONITORING FRAMEWORK FOR SDF 10: 2021-24 TECHNICAL NOTES

LEVEL 1: Progress Towards Sustainable Development Goals and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
1.1 MPI [Headcount (%)]	The MPI describes the percentage of the population who are deprived in several areas of economic and social wellbeing: education, health and living standards. The MPI assesses poverty at the household level; the metric is normally expressed as a headcount ratio, where the headcount is in adult equivalent units. CDB (Enhanced CPA Programme) has customised the UN MPI to fit the Caribbean context. The enhanced MPI complements monetary measures of poverty by considering education, health and living standards, employment, CC, and gender.	Poverty is multi-dimensional; thus, it is important to look beyond monetary metric measures of poverty to gain a comprehensive picture. It allows for the identification of the poorest of the poor, and shows how they are poor (low education, malnourished, etc.), revealing poverty patterns within countries (e.g. by region, ethnicity and other groupings) and over time. It is monitored to track progress on SDG. The updated poverty data will place policymakers in a better position to understand the multi-dimensional nature of the phenomenon and how this affects citizens. This will allow decision-makers to focus on different dimensions of poverty and use the information to support better targeting of social programmes and development of poverty reduction strategies to embrace income-generating interventions.	Enhanced CPAs: Demographic and Health Survey (DHS) and the Multiple Indicators Cluster Survey (MICS) in BMCs. (The MPI was first published in 2010 by the Oxford Poverty and Human Development Initiative and the UNDP.)	Variable lags and timing of reporting, depending on Enhanced CPA and survey data collection.
1.2 Adjusted Headcount Index	The adjusted HDI results from the effects of inflation on the existing poverty line. This uses a shock analysis to measure the potential impact to household income and consumption arising from economic shocks to the basket of goods used in the calculation of the poverty line. Economic shocks can be the result of economic downturns, environmental hazards, pandemics (such as COVID-19) and any other internal or exogenous event that affects prices, employment and income levels of the population. The indicator's value is derived from adjusting the most recently available basket of goods by the respective price changes of each item.	It is expected that the baseline figures for this indicator will be updated using information from completed ECPA. The aim is to contribute to the stabilisation of the poverty levels (especially in light of COVID and other potential shocks) and that levels do not in fact deteriorate and countries are not in a worse position by 2024. This indicator is relevant to SDGs Goal 1.	Country Poverty Assessment Data Survey of Living Conditions Household and Budgetary Surveys Consumer Price Index and other National Statistics	Variable lags and timing of reporting, depending on Enhanced CPA and survey data collection.
1.3 Human Development Index (HDI)	The HDI is a summary measure of achievements in three key dimensions of human development: a long and healthy life, access to knowledge and a decent standard of living. The HDI is the geometric mean of normalized indices for each of the three dimensions.	Information from this indicator will assist CDB in supporting investments in human capital development in spite of COVID-19 and other exogenous shocks such that there are minimal/no overall decline in HDI.	HDI Report	Frequency of availability of data varies by country. At least a one-year lag.
1.4 Inequality Adjusted HDI	The Inequality-adjusted HDI adjusts HDI for inequality in the distribution of each dimension across the population. It is based on a distribution-sensitive class of composite indices proposed by Foster, Lopez-Calva and Szekely (2005), which draws on the Atkinson (1970) family of inequality measures. It is computed as a geometric mean of inequality-adjusted dimensional indices.	The IHDI accounts for inequalities in HDI dimensions by "discounting" each dimension's average value according to its level of inequality. The IHDI equals the HDI when there is no inequality across people but falls below the HDI as inequality rises. In essence, the IHDI measures the level of human development when inequality is accounted for.	HDI Report	Frequency of availability of data varies by country. At least a one-year lag.

LEVEL 1: Progress Towards Sustainable Development Goals and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
1.5 Social Protection expenditure as a percentage of GDP (percentage point)	This indicator is measured as the sum of government expenditure on social programmes in a given year, calculated in national currency units and USD as a percentage of GDP.	Social protection is a measure of the extent to which countries assume responsibility for supporting the standard of living of disadvantaged or vulnerable groups. Benefits may be targeted at low-income households, the elderly, disabled, sick, unemployed, or young persons. Social spending comprises cash benefits, direct in-kind provision of goods and services, and tax breaks with social purposes. (OECD). Private transfers between households are not considered as "social" and not included in the calculation.	Government budget estimates National Insurance/Social Security Schemes Country Poverty Assessment Data Survey of Living Conditions	
1.6 GDP per capita growth rate (%)	Annual change in GDP based on constant 2005 US dollars divided by mid-year population estimate.	Measures annual change in the level of total economic output relative to the population of a country. This per person, or per capita, value indicates the ability of those people and their country to afford the goods and services they need and want, including spending on public systems such as education, health, welfare, security, and environmental protection. It is monitored to track progress on SDG 8.	Official data from Central Banks of BMCs.	One-year lag for GDP information. Variable lags for population information across BMCs.
1.7 Secondary school graduates achieving five CXC General Proficiency or equivalent in National Assessment passes or more, including Mathematics and English (%)	% of candidates who have achieved passes in five subjects including Mathematics and English generally in one sitting. Candidates obtaining Grades I - III at the General and Technical Proficiencies of the Caribbean Secondary Education Certificate (CSEC) of CXC, or an equivalent performance in national examinations in BMCs such as The Bahamas General Certificate of Secondary education (BGCSE), are considered as satisfying the matriculation requirement for tertiary and post-secondary programmes.	The indicator is used to monitor the supply of students who (a) satisfy the matriculation requirements for tertiary and post-secondary programmes; and (b) meet requirements for the world of work. It is monitored to track progress on SDG 4.	Examination performance data are compiled for MOEs within the respective BMCs. Officers in the Social Sector Division (SSD) obtain the data from MOEs.	Annual data are reported for the last completed school year. There is a lag of one year.
1.8 Students completing at least one Level 1 course in TVET (%)	% of students completing a Level 1 course in TVET or an equivalent programme in a year. TVET is concerned with the acquisition of knowledge and skills for the world of work. These include: CSEC TVET subjects, National Vocational Qualifications and CVQ Level 1 programmes, City and Guilds Level 1 programmes and BGCSE TVET subjects or their equivalent.	The expansion and flexibility of the education system to offer training pathways that address the career interests and prospects of all students is an International Labour Organisation (ILO)/ UNESCO goal. The indicator measures the proportion of students completing at least one Level 1 subject/programme in TVET. It is monitored to track progress on SDG 4.	MOEs within the respective BMCs compile these data. Officers in SSD obtain the data from MOEs.	Annual data are reported for the last completed school year. There is a lag of one year.
1.9 National Unemployment rate (%)	The unemployment rate is a measure of the proportion of the population currently in the labour force that are unemployed. According to the ILO, "the unemployed comprise all persons of working age who were: (a) without work during the reference period, i.e. were not in paid	The unemployment rate is an indicator of the extent to which employment opportunities are being provided. It is monitored to track progress on SDG 8.5.1.	ILO, Key Indicators of the Labour Market database.	Frequency of availability of data varies by country. At least a one-year lag.

LEVEL 1: Progress Towards Sustainable Development Goals and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
	employment or self-employment; (b) currently available for work, i.e. were available for paid employment or self-employment during the reference period; and (c) seeking work, i.e. had taken specific steps in a specified recent period .			
1.10 Youth unemployment rate (%)	The youth unemployment rate is a measure of the proportion of the labour force ages 15-24 that is not in paid employment or self-employment but is available for work and has taken steps to seek paid employment or self-employment.	The unemployment rate is an indicator of the extent to which employment opportunities are being provided. It is monitored to track progress on SDG 8.6.1. Youth possess tremendous potential to serve as agents of social and economic transformation in the region. One key challenge to moving out of poverty is extremely high level of youth unemployment, which is of critical concern to the Caribbean Region. CDB intends to incorporate youth employment opportunities and development into its interventions.	ILO, HDI	Frequency of availability of data varies by country. At least a one-year lag.
1.11 Youth unemployment to population ratio (%)	Unemployment to population ratio is the proportion of a country's population that is unemployed. Employment is defined as persons of working age who, during a short reference period, were engaged in any activity to produce goods or provide services for pay or profit, whether at work during the reference period (i.e. who worked in a job for at least one hour) or not at work due to temporary absence from a job, or to working-time arrangements.	The unemployment rate is an indicator of the extent to which employment opportunities are being provided. It is monitored to track progress on SDG 8.6.1. Youth possess tremendous potential to serve as agents of social and economic transformation in the region. One key challenge to moving out of poverty is extremely high level of youth unemployment, which is of critical concern to the Caribbean Region. CDB intends to incorporate youth employment opportunities and development into its interventions.	ILO, HDI	Frequency of availability of data varies by country. At least a one-year lag.
1.12 Intra-regional trade as a percentage of total regional trade (%)	Intra-regional trade is defined as the value of imports plus the value of exports between CARICOM member countries. Total regional trade is defined as imports from all countries to CARICOM member countries plus exports to all countries from CARICOM member countries. Intra-regional trade will be a subset of total regional trade. Trade covers goods carried by sea or air.	This indicator reflects the importance of the intra-regional trade (the movement of goods and services (i.e. e-commerce)) among Caribbean countries. It is an indication of growing markets in the Region and the effectiveness of particular regional arrangements in facilitating trade. It measures the degree of interdependence and connectivity among Member States from the perspective of international trade. It is monitored to track progress on SDG 8.	www.caricomstats.org , National statistical offices	Calendar year data. Variable lags; usually a year for more developed countries and longer for less-development countries (LDCs).
1.13 Doing Business Distance to Frontier score (out of 100)	The WB's Ease of Doing Business ranks (out of 189 countries) and scores (out of 100) economies. A high ranking (a low numerical rank) or score means that the regulatory environment is conducive to business operation, usually simpler, regulations for businesses and stronger protections of property rights.	Empirical research funded by WB shows that the effect of improving business regulations on economic growth is strong. An environment conducive to business operation is an important precursor for building a competitive economy. The indicator tracks progress on SDG 8.	The WB: https://www.doingbusiness.org/en/data/doing-business-score	There is a one year lag. Annual data is based on data from the previous year.
1.14 RE as a % total energy mix produced	Measures energy produced from renewable sources as a percent of total energy production.	RE is the most sustainable form of energy. The larger % of RE in a country's energy mix, the	CARICOM.	The most recent data available is from 2012.

LEVEL 1: Progress Towards Sustainable Development Goals and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
		greater its energy security. Further, RE technologies are clean sources of energy that have a much lower environmental impact than conventional energy technologies. (Source: UN Statistics Division) The indicator tracks progress on SDG 7.		Data is only available for five BMCs.
1.15 Greenhouse gas emissions (metric tons per capita)	Measures greenhouse gas emissions per person in each country. Carbon dioxide or greenhouse gas emissions (GHG) are those stemming from the burning of fossil fuels. They include energy produced during consumption of solid, liquid, and gas fuels through industrial processes, agriculture and waste.	With rising greenhouse gas emissions, CC is occurring at rates much faster than anticipated and its effects are clearly felt worldwide. While there are positive steps in terms of the climate finance flows and the development of NDCs, far more ambitious plans and accelerated action are needed on mitigation and adaptation. Reducing greenhouse gas emissions is a key component of the Paris Agreement for Climate Change including NDCs, of which a number of CDB's BMCs are signatories.	The WB: https://data.worldbank.org/indicator/EN.AT.M.CO2E.PC?view=chart	Yearly
1.16 Reported economic losses resulting from natural disasters and climate variability (% of GDP, 3 year average)	Estimated financial cost of loss from natural hazard events in the reporting year (as normally determined by a Damage and Loss Assessment) expressed as a percentage of GDP. Natural hazard events are divided into five sub-groups: Geophysical; Meteorological; Hydrological; Climatological and Biological. The costs are generally replacement costs to rehabilitate essential buildings and infrastructure (including any new builds) at current prices. Depending on the scale of the damage and loss, the costs are used by governments and international agencies to make appeals for assistance.	Due to the size and geographical positioning of countries in the Caribbean, the Region is susceptible to natural hazard events, particularly those of a meteorological, geophysical and hydrological nature. This makes preparedness for and mitigation against natural hazards a very important issue for Caribbean governments, and for development. Good DRM can help reduce costs (both financial and human) when natural events occur and dampen the impact on affected economies. The indicator tracks progress on SDG 13.	Estimated cost of damage data is sourced from the International Disaster Database (EM-Data) http://www.emdat.be/database . GDP in current prices (USD) is taken from Central Statistical Offices, or International databases, such as the IMF.	Date of event and estimated damage recorded. Current
1.17 Multidimensional Vulnerability Index - MVI (score: 0-1)	The MVI measures a country's exposure to external shocks (fiscal, trade, or climate related) and identifies the inherent, permanent, or semi-permanent features of a country which render that country exposed to economic forces outside its control. The vulnerability scoring system ranges from 0 to 1 and involves four categories, namely, Low Vulnerability (0 to 0.33); Medium-low Vulnerability (0.34 to 0.49); Medium-high Vulnerability (0.50 -0.69); and High Vulnerability (0.70 to 1.00).	The MVI is intended to support evidence-based policy formulation, planning and decision making as well as guide CDB's development financing architecture and particularly for its concessional resources.	Multidimensional Vulnerability Index Working Paper from CDB Economics Department	The most recent data available is from 2017. Updates are made at least every two years.

LEVEL 1: Progress Towards Sustainable Development Goals and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
1.18 Governance Index (score: -2.5 to 2.5)	The Worldwide Governance Indicators (WGI) published by the WB Group includes aggregate and individual governance indicators for six dimensions of governance: (a) Voice and Accountability; (b) Political Stability and Absence of Violence; (c) Government Effectiveness; (d) Regulatory Quality; (e) Rule of Law; and (f) Control of Corruption.	Improved governance in BMCs is central to the achievement of the Region's growth and development objectives, as well as SDG 16.8. Development results in the public sector are partly attributable to good governance and efficient service delivery provided through public sector institutions. This indicator will allow for tracking of governance arrangements at the regional level and will be used to guide the development of CDB's interventions. Information from other documents will be used to support the WGI Governance Index including the Public Expenditure and Financial Accountability (PEFA) ^{44/} Framework and the Methodology for Assisting Procurement Systems (MAPS) ^{45/} .	The WB, PEFA. MAPS	Yearly

^{44/} PEFA is a methodology used to assess public financial management performance. It provides the foundation for evidence-based measurement of countries' PFM systems, processes and institutions contribute to the achievement of desirable budget outcomes.

^{45/} MAPS is a tool used to assess public procurement systems. It is organised around four pillars, namely, Legislative, Regulatory and Policy Framework; Institutional Framework and Management Capacity; Procurement Operations and Market Practices; and Accountability, Integrity and Transparency of the Public Procurement system.

LEVEL 2: CDB's Contribution to Sustainable Development Goals, Country, and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
Building Social Resilience				
<i>Education and Training</i>				
2.1 Classrooms and educational support facilities built or upgraded according minimum standards (number)	Number of classrooms in basic or post-secondary/tertiary education, which are built or upgraded in the reporting period, complying with standards approved by respective local authorities.	A constraint to the attainment of the goal of universal education is the availability and quality of educational facilities, including appropriate pedagogical equipment, tools, and materials as part of the enabling environment for learning. All facilities - classrooms, laboratories, workshops, multi-purpose rooms and other specialised rooms are included. The indicator aims to measure CDB's contribution to closing the deficit in fit-for-purpose education facilities. The supply of quality education facilities has transformative impact. It positively supports instructional effectiveness, particularly the capacity to meet the differentiated learning needs of students and consequently, improved student performance.	Derived from project level information from two main sources: The BNTF sub-projects and programmes; SSD projects identified through CSPs targeting access to basic education in all BMCs.	Data reported as at December 31st of the last completed year.
2.2 Teachers and principals trained/certified (number)	Number of teachers in basic and post-secondary/tertiary education who have received about 40 hours (about 1 week) of training through CDB support. This covers principals and teachers.	Learning outcomes, to make sure every child performs up to a regional minimum standard upon completing primary and secondary education, depend among other things on the quality of teaching. Research has consistently shown that the teacher quality is one of the highest school-based correlate of student learning. The indicator is a supply one, capturing the number of teachers receiving training. Better teaching should in turn lead to improved learning outcomes.	The MOEs within the respective BMCs, or project documentation of BNTF and SSD.	Data reported as at December 31st of the last completed year.
2.3 Students benefiting from improved physical classroom conditions, enhanced teacher competence, or access to student loan financing (number)	Count of pupils who benefit from new classrooms or upgrades (Indicator 2.1 in the RMF), or enhanced teacher training (Indicator 2.2), or who receive financing for tertiary education programmes. The indicator counts pupils benefiting at all levels of education in any one year.	The indicator quantifies the number of students benefitting from CDB financed interventions in these main areas of support for the education sector - improving the learning environment; the quality of taught education, and access to finance for education - interventions which can enhance learning outcomes and employment potential.	Project level information systems record the number of beneficiaries from classroom construction/ rehabilitation, teacher training and student-loan financing interventions. CDB officials in BNTF, SSD and PSD units are responsible for collating these data from primary sources.	Data reported as at December 31st of the last completed year.
2.3b Beneficiaries of skills training activities under BNTF (number)	Count of pupils who benefit from new classrooms or upgrades (Indicator 2.1 in the RMF), or enhanced teacher training (Indicator 2.2). The indicator counts pupils benefiting at all levels of education in any one year.	The indicator quantifies the number of students benefitting from CDB financed interventions in these main areas of support for the education sector - improving the learning environment; and the quality of taught education - interventions which can enhance learning outcomes and employment potential.		
<i>Agriculture and Rural Development</i>				
2.4 Agriculture: stakeholders trained in improved production technology (number)	Number of farmers or associated workers in the agricultural sector adopting improved agricultural technology or practices under Bank-supported operations.	The aim of agricultural sector interventions is to increase production, productivity, and competitiveness of the sector. CDB's efforts are focused on the creation of an enabling environment in support of private sector investment in the agricultural sector, including the provision of public goods and services, and stakeholder training in modern production approaches and technologies.	Project level data provided by the respective BMCs/project execution and implementing agencies.	Calendar year as at December 31st

LEVEL 2: CDB's Contribution to Sustainable Development Goals, Country, and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
2.5 Land improved through irrigation, drainage and/or flood management (hectares)	Area provided (in hectares) with new and/or improved irrigation, through drainage, flood or irrigation works.	One of the most direct ways to promote inclusive and sustainable growth is through investments in the agriculture sector including irrigation systems. These investments are aimed at increasing agricultural production and productivity and enhancing competitiveness of the sector. A major concern for the Region is related to natural hazards which negatively impact the agricultural ecosystem including crops and water systems. Climate-resilient and efficient irrigation services are required to facilitate optimal crop and livestock production.	Project level data provided by the SSD from the respective BMCs/project execution and implementing agencies.	Usually annual, but variable reporting times and lags based on country.
2.6 Beneficiaries of improved agriculture, land management and land conservation climate smart agricultural practices (number)	Total number of people benefiting from improved agricultural productivity as a result of the Bank's intervention.	The indicator quantifies the number of persons benefitting from CDB's interventions - climate smart agricultural practices, and improvements of agricultural practices, land management and conservation.	Project level data provided by the SSD from the respective BMCs/project execution and implementing agencies.	Annual, calendar year for the last completed year.
Water and Sanitation				
2.7 Water: Installed water capacity (cubic metres/day)	Installed capacity of water (in cubic metres per day) in storage, water and sewage treatment facilities and pumping stations, through Bank-supported operations.	The indicator describes the extent to which there is adequate provision of efficient, reliable and sustainable supply of safe water to consumers. Installed sewage capacity with effective treatment will also help to mitigate against adverse public health and environmental impacts.	BNTF and EID. Project Reports.	Annual, calendar year for the last completed year.
2.8 Water: Supply lines installed or upgraded (length of network in km)	Kilometers of water supply lines laid or upgraded under Bank-supported operations. The indicator is broken down by urban and rural areas.	The indicator is a measure of the extent to which sustainable access to improved water supply has been increased, based on the assumption that improved sources of water are more likely to provide safe water, also reducing the risk of waterborne and waste-related diseases. Water losses through poor infrastructure is also a major issue in the Caribbean.	Supervision reports for water projects managed by EID. BNTF sub-project reports, and the BNTF information system.	Calendar year data for the last completed year.
2.9 Water: Households with access to improved sanitation and water supply (number)	Number of households that have benefited from installed/upgraded water supply lines, installed potable water sources, or from improved sanitation facilities, including upgraded or new sewerage infrastructure, public toilets, laundry, or bathroom facilities. The indicator is disaggregated by urban and rural areas.	The indicator contributes to the SDG for the proportion of the population with sustainable access to an improved water source, and improved sanitation. Although the Caribbean region is close to attaining the targets for access, access to improved water and sanitation is poorer in rural areas for many Caribbean countries, and hence the indicator counts separately rural and urban households who have benefited.	Supervision reports for Water and Sanitation projects managed by EID. BNTF Sub-project reports.	Calendar year data for the last completed year.
Citizen Security				
2.10 Communities: Beneficiaries of community-based citizen security interventions (number)	Number of youth (aged 15-24) who are considered at risk of causing or being a victim of crime, provided with Bank supported community development training initiatives or anti-crime sensitisation projects.	Citizen security is a development priority in the Caribbean. CDB has a tailored programme that takes into account the variety, complexity and variability of insecurity in BMCs.	Project documents PSRs	Data reported as at December 31st of the last completed year.
2.11 Beneficiaries of youth at risk interventions (number)		This indicator is intended to capture youth-specific initiatives in the area of citizen security, including youth reached through education and infrastructure	CDB officials in SSD are responsible for collating these data from primary sources.	

LEVEL 2: CDB's Contribution to Sustainable Development Goals, Country, and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
		development.		
<i>Community Development and Participation</i>				
2.12 Communities: beneficiaries of community infrastructure construction and enhancement projects (number)	Number of people who benefit from enhanced social and economic community infrastructure interventions, financed by Bank-supported operations (see Indicator 2.13) - computed as the number of people that the new/upgraded community building can cater for or accommodate, according to the building specification, or from community records of the numbers of beneficiaries.	Poor and vulnerable communities often lack access to basic infrastructure and services, which limits their prospects and social and economic development. The indicator is a measure of the number of persons who can benefit from the new or upgraded community infrastructure.	BNTF sub-projects in BMCs. SSD loan-funded community-based projects.	Calendar year data, as at 31st December
Building Economic Resilience				
<i>Economic Infrastructure</i>				
2.13 Sea defences, landslip protection and urban drainage (km)	Kilometers of protective structures/structures built for the protection of vulnerable infrastructure or communities, financed by CDB.	The purpose of the indicator is for disaster mitigation. Strengthened infrastructure leads to better protection of the built-up environment/minimises economic losses as a result of natural hazard events. It also protects residents of coastal communities from the effects of waves and storm surges.	EID infrastructure projects.	Annual, calendar year
2.14 Transport: Primary, secondary and other roads built or upgraded (km)	Kilometers of all roads constructed or upgraded. CDB's road development/maintenance projects cover Primary Roads: major roads intended to provide large-scale transport links within or between key economic and social areas in a country; Secondary Roads: roads that supplement a primary network by feeding traffic from local roads on the primary network, and Other and tertiary roads: minor roads which provide access to local communities and areas of agricultural and other economic activity.	Good quality road infrastructure is a key ingredient for sustainable development. All countries need an efficient transport network if they are to prosper and provide a decent standard of living for their populations. Good quality roads are essential for the smooth running of many key economic sectors including agriculture, industry, mining and tourism. Efficient road infrastructure makes it easier for economic actors to do business, generates employment and enhances a country's ability to trade while reducing the costs of goods and services. It also improves the delivery of and access to vital social services, such as health and education, and minimises the risk of fatalities due to poor road infrastructure. Investment in road infrastructure can contribute to the achievement of the SDGs.	Projects and programmes from the EID and BNTF contribute to these results.	Data reported as at December 31st of the last completed year.
2.15 Transport: Beneficiaries (direct) of resilient and gender-responsive infrastructure construction or enhancements (number)	Number of people who benefit from newly constructed or improved infrastructure. From road usage surveys or estimated as the catchment area population served by the road, where data are not provided by road usage surveys.	Good quality infrastructure is a key ingredient for sustainable development. All countries need robust infrastructure if they are to prosper and provide a decent standard of living for their populations. Investments in infrastructure can contribute to the achievement of SDGs including SDG 9.	Numbers of beneficiaries of resilient infrastructure projects determined by the projects' scoping reports or estimated from data on the catchment population that could benefit from the infrastructure improvement. In most cases, the catchment population will be a Census estimate. The number of beneficiaries relate to the countries in which CDB supports road building or upgrade projects.	Annual reporting.

LEVEL 2: CDB's Contribution to Sustainable Development Goals, Country, and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
<i>Private Sector Development and MSMEs</i>				
2.16 Value of credit made available to the private sector (\$ mn) (disaggregated by sector)	Value of credit in a calendar year (in \$US mn) to MSE and businesses in the service and agricultural sectors. These private sector enterprises will receive credit through DFIs and other FIs, underwritten by CDB financing.	The indicator is one of several proxy measures under private sector development used to describe the extent to which business viability has been enhanced and growth is potentially expanded through the provision of private sector credit.	DFIs and other FI reports, covering the loan portfolio of countries of PSDU.	Calendar year for the last completed year. DFIs usually require three months to compile their reports for the last quarter. Therefore, most supported DFIs will have annual data by March of the following year.
2.17 MSMEs benefiting from credit (number)	Number of people with approved applications of business credit or mortgage financing, disaggregated by the sex of the applicant. The business application will usually be made by one of the following size of business: micro (owner-managed with less than five employees), small (less than 25 employees) and medium enterprises (25-50 employees), where the indicator counts the individual(s) making the application for the business.	The indicator is one of several proxy measures under private sector development used to describe the extent to which business viability is potentially enhanced through the provision of credit.	Sub-loan applications and reports from DFIs to whom loan is advanced.	Annual, calendar year
2.18 Beneficiaries of mortgage programmes (number)	Beneficiaries of mortgage financing, where the borrower will take out a mortgage to finance, among other things, the purchasing of a new property or major renovation to an existing property.	Mortgage financing will usually contribute to improved living standards and social well-being of persons benefiting.	Sub-loan applications and reports from DFIs to whom loan is advanced.	Annual, calendar year
2.19 Beneficiaries of TA interventions targeted at MSMEs (number)	Number of recipients of: (a) direct TA, training attachments, and national and regional workshops through the Caribbean Technical Consultancy Service network. (b) TA support for innovation, entrepreneurship and ICTs. (c) Other TA which may be carried out by DFIs through line of credit activities. The recipient will usually be involved with a MSME (see indicator 2.18 for the definition of MSME.).	This is a leading indicator of enhanced capacity in business development of individuals or enterprises supported by the CTCS network, or other TA modalities. Capacity of agencies that provide assistance to MSMEs will also be enhanced. Enhanced capacity may lead to a number of economic benefits, such as increased production, employment and sales/ revenue of affected MSMEs.	Data from PSRs, Back to Office Reports, and consultancies and agencies involved in project implementation, collated by the Technical Cooperation Division (TCD) and PSDU.	Data reported as at December 31st of the last completed year.
2.20 Number of institutional reforms towards enhanced business climate and competitiveness of MSMEs – Compete Caribbean	Number of projects completed focusing on improved business climate and competitiveness enhancement.	In order to effectively foster private sector growth, BMCs require an enabling policy and regulatory environment, and need to provide incentives and support for SME development.	Refers to certain projects forming part of the Compete Caribbean Programme; as reported by TCD.	Data reported as at December 31st of the last completed year.
2.21 BMCs with increased capacity to undertake PPP arrangements (number)	Number of countries in which the capacity to undertake PPP arrangements has been strengthened through CDB-financed operations. Countries in which results were achieved in one or more of the following areas as related to PPPs are counted in the indicator: (1) development of PPP policies and practices; (2) creation of legal environments that allow for the implementation of PPPs; (3) increased institutional capacity; (4) increased human capacity; (5) creation of fiscal management and accounting frameworks.	PPPs are a possible solution to relaxing the potentially binding fiscal constraints in relation to the provision of public services; they are particularly needed in the infrastructure sector. With improved understanding of PPPs and institutional ability to initiate and manage them, BMCs will be better able to use PPPs effectively and efficiently to achieve development results.	CDB PPP Regional Support Mechanism.	Data reported as at December 31st of the last completed year.

LEVEL 2: CDB's Contribution to Sustainable Development Goals, Country, and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
Building Environmental Resilience				
<i>Energy</i>				
2.22 Energy: Conventional or renewable power generation capacity installed (MW)	Megawatts of generation capacity of conventional and RE constructed or rehabilitated under Bank-supported projects and programmes. RE is defined to include hydropower, and power from wind, solar, geothermal and other renewable sources.	Lack of energy security is one of the most pressing challenges among net-energy importing BMCs. This challenge is linked to high import fuel costs and an over-dependence on imported fuel. The indicator measures increased access to conventional, as well as alternative RE generating capacity (both on grid and off-grid).	CDB officials in BNTF, SSD and PSDU are responsible for collating data from primary sources. Caribbean Energy Information System for on-grid RE capacity installed figures.	Data reported as at December 31st of the last completed year.
2.23 Greenhouse gas emissions reduction (t CO ₂ equivalent/year)	Greenhouse gas reduction is calculated as the amount CO ₂ equivalent emissions per year reduced as a result of the Bank's intervention.	CDB is committed to the CC process and has put the necessary financial, technical, and institutional arrangements in place to assist BMCs in achieving the global and regional commitments including NDCs.	PSRs prepared by EID.	Annually, December 31.
2.24 Energy savings as a result of EE/RE interventions (GWh)	Energy savings due to EE measures or the adoption of RE technologies (converted to MWh), directly attributable to Bank supported projects. Since energy savings cannot be directly measured, as it represents the absence of use, projected savings are calculated against baseline or business-as-usual scenarios in the absence of the project.	The determination of energy savings gives facility owners and managers valuable feedback on their energy conservation measures (ECMs), including the installation of renewable technology. This feedback helps them adjust ECM design or operations to improve savings, achieve greater persistence of savings over time, and lower variations in savings.	Projects database of RE/EE initiatives in MSME, public sector operations, and communities.	Annually, December 31.
2.25 Transmission or distribution lines installed or upgraded (length in km)	Total length in Km of energy transmission or distribution lines installed or upgraded through CDB operations.	Installing/upgrading access increases populations' access to energy/access to more reliable energy, supporting SDG 7.	CDB officials in EID are responsible for collating these data from primary sources.	Data reported as at December 31st of the last completed year.
<i>Environmental Sustainability</i>				
2.26 No. of BMCs with strengthened resilience and adaptive capacity to climate related hazards (including DRR strategies)	Disaster risk governance at the national, regional and global levels is vital to the management of DRR in all sectors and ensuring the coherence of national and local frameworks of laws, regulations and public policies that, by defining roles and responsibilities, guide, encourage and incentivise the public and private sectors to take action and address disaster risk.	CDB will monitor BMCs commitments made under the Sendai Framework for DRR. This indicator is linked to building resilience and strengthened capacity for DRM at the policy level. Disasters have demonstrated that the recovery, rehabilitation and reconstruction phase, which needs to be prepared ahead of the disaster, is an opportunity to "Build Back Better" through integrating DRR measures. The DRR approach will help governments and communities to manage, mitigate, cope, adapt and respond to natural hazards.	CDB officials from ESU.	Annually, December 31.
2.27 Additional communities with improved capacity to address CC and DRM (number)	Number of communities who have benefitted from interventions of the Adaptation Fund (AF) or have benefited from development projects that reduce the risk of damage or losses through specific training, TA or infrastructure improvements/enhancements (roads, bridges and other infrastructure), where they are not counted in other social and economic infrastructure development interventions. Some of the infrastructure improvement may be financed through CDB's Immediate Response or Rapid Response loans.	Communities in the Caribbean are severely affected by CC and extreme weather events. These events destroy crops, damage homes, disrupt livelihoods and can cause job losses, injury, sickness and death. The AF and Economic Infrastructure projects work to help community members and groups find ways to reduce their vulnerability to risks associated with natural disasters and to adapt to CC.	CDB officials in EID and from AF are responsible for reporting data based on completed projects and initiatives.	Projects and initiatives completed as at December 31st of the last completed year.

LEVEL 2: CDB's Contribution to Sustainable Development Goals, Country, and Regional Development Outcomes				
Indicator No.	Description	Rationale	Data Source	Frequency
Cross-cutting Areas				
<i>Governance and Accountability</i>				
2.28 Ministries, departments and agencies with improved public financial management systems, PSIPs, and service delivery (number)	The indicator assesses whether Bank interventions have helped countries link a comprehensive and credible budget to policy priorities, strengthen financial management systems, and improve the timeliness and accuracy of accounting, fiscal reporting, and auditing. The indicator is expressed as the percentage of countries where improvements are observed over all countries in which the Bank has supported relevant reforms.	An improved governance environment is central to the achievement of the Region's growth and development objectives, and improving competitiveness.	CDB officials in EID are responsible for collating data from ministries of planning and finance within BMCs.	Annual, calendar year
<i>RCI</i>				
2.29 Regional public goods created or strengthened (e.g. statistical capacity, quality standards, procurement, and debt relief) (number)	Number of RPGs created or strengthened through initiatives supported by the Bank. These include completed projects aimed at improving access to information, the administration of the free movement regimes under the CSME, the competitiveness of the Region's priority/high potential export sectors, improving networking and collaboration among regional MSMEs to exploit export opportunities, and increasing capacity within Ministries of Trade.	Regional Integration in the Caribbean offers the best opportunity for small countries of the region to accelerate growth, reduce economic disparities and facilitate closer policy coordination and collaboration on a range of issues affecting their development including regional and global public goods.	Project documents and reports from CDB officials in TCD.	Annual, calendar Year
2.30 Trade facilitation measures created, strengthened or expanded (number)	Number of certification or accreditation systems that were created, strengthened, or expanded through initiatives supported by the Bank, which are expected to support an increased free regional movement of goods and persons.	To meet its overarching goal of integrating Caribbean markets through its regional integration policy and strategy the Bank intends to scale up its investments in hard and soft infrastructure development, while helping member countries and regional communities to enhance their trade policies and build their facilitation and finance capacity.	Project documents and reports from CDB officials in the Technical Cooperation Division.	Annual, calendar year

Level 3: How Well CDB Manages its Operations				
Indicator No.	Description	Rationale	Data Source	Frequency
Operational processes and practices and portfolio performance				
3.1 Portfolio performance rating for implementation (% rated excellent to satisfactory)	A measure of the effectiveness of CDB's projects and programmes during implementation is the Portfolio Performance Index (PPI), a composite indicator covering six criteria: strategic relevance, poverty relevance, efficacy, cost efficiency, institutional development, impact and sustainability.	Projects and programmes with PPI ratings of satisfactory or above (highly satisfactory or Excellent) in (PSR provide an indication that CDB's investments are largely meeting their objectives. The indicator measures the % of projects/programmes with PPI ratings of Satisfactory to Excellent.	Project Rating scores in PSRs that have been entered in the PPMS - and reported in Annual Review for Project Performance (ARPP). The scores cover projects under implementation for IPB loans.	As at 31 December, each year.
3.2 Completed projects/loans with timely PCRs (%)	% of projects ended in the two years prior to current year, which have completed Project Completion Reports signed off by the Operations Area. For example, 2020 data will look at the completion rate of projects ended in 2019 and 2018.	This is a measure of compliance with PCM, and accountability. The aim is to be fully compliant, i.e. 100% of projects with completed PCRs on the system.	PPMS, and covers CDB's Operations Area (Economics and Projects Departments)	As at 31 December, each year.
3.3 Projects at risk (% of portfolio)	Projects which exhibit more than two of the following six risk criteria are considered at risk: (a) weighted score for any criterion is equal to or below 0.5; (b) a composite performance score below 4.0; (c) a decline in any project performance rating score by more than 15%; (d) timing performance more than 15% behind target; (e) CDB performance unsatisfactory; and (f) Borrower performance unsatisfactory.	Fewer projects at risk is an indicator of good project management.	PPMS, Annual Review of the Project Portfolio	Annual, calendar year.
3.4 Average time taken from appraisal mission to first disbursement (months)	Average number of months from date of project appraisal mission to first disbursement for CDB's loan investments that have become effective during the reporting period.	Time to first disbursement is a measure of project effectiveness and efficiency. This can be influenced by a number of factors, such as the readiness of the implementer to meet project conditions.	PPMS, Annual Review of the Project Portfolio	Annual, calendar year.
3.5 Projects under implementation with extensions (revised final disbursement date) (%)	The proportion of CDB loan and grant (\$1M+ only) projects which have been extended beyond their originally planned completion date based on their current TDD as entered in FlexCube.	It is known that a project's implementation is delayed when its final disbursement date is revised. A delayed project has implications in terms of its ongoing cost to the borrower and the lender, as well as reduced development effectiveness. If the average time of extension can be brought down, savings in costs and gains in efficiency in managing the portfolio of projects can be achieved.	Projects under implementation as at December 31 st based on information in FlexCube. This list is cross-referenced with the list of projects in the portfolio considered active as at December 31 st by the ARPP.	As at December 31.
3.6 Average length of project extension (month)	The average length of time (in months) that a CDB loan or grant (\$1M+ only) project is extended based on their current TDD as entered in FlexCube.	The difference between the original TDD and the current TDD provides information about the length of extension given to a project. A delayed project has implications in terms of its ongoing cost to the borrower and the lender, as well as reduced development effectiveness.	Projects under implementation as at December 31 st based on information in FlexCube. This list is cross-referenced with the list of projects in the portfolio considered active as at December 31 st by the ARPP.	As at December 31.

Level 3: How Well CDB Manages its Operations				
Indicator No.	Description	Rationale	Data Source	Frequency
Quality of operations and development outcomes				
3.7 Quality of new loans and grants appraised (Capital loans/grants, PBLs and TAs)	The indicator reflects the quality of project design, taking into a number of dimensions including relevance, rationale, results measurement and logic, M&E, and sustainability. Gender and climate change considerations are also incorporated in the rating systems. The performance rating is computed by averaging the total score [1-4] of the 7 categories. The performance rating is explained below: <i>1 – Unsatisfactory (≥ 1.00 and ≤ 1.75):</i> The intervention is a technical and/or economic failure where the minimal outcome is achieved. <i>2 - Marginally Unsatisfactory (> 1.75 and ≤ 2.50):</i> Despite a significant shortfall, some components of the intervention will generate major benefits. <i>3 – Satisfactory (> 2.50 and ≤ 3.25):</i> The expected outcome will, on the whole, be achieved, reasonably efficiently, and will be sustainable over the life of the intervention. <i>4 - Highly Satisfactory (> 3.25 and ≤ 4.00):</i> Interventions have a high probability that expected outcomes will be achieved efficiently and will be sustainable over the life of the intervention.	The process commences at appraisal with an assessment of the Quality at Entry (QAE) of the intervention. QAE is an evaluability instrument that measures whether the appraisal and results projected for a development intervention are robust enough to be able to demonstrate results at completion of that intervention.	Readiness Review/ QAE Mechanism Appraisal reports	Annual
3.8 Quality of CSPs (score)	The indicator reflects the quality of CSP design, taking into a number of dimensions including economic and sector work, strategic relevance, partner coordination, lessons learnt, M&E and results.	Demonstration of CDB's development results based on empirical evidence requires measurement of performance from strategy formulation to evaluation. At the strategy formulation stage, the measurement process starts with an assessment of QAE of the proposed country strategy. QAE is an evaluability instrument that measures whether the results projected in a CSP are robust enough to be able to demonstrate the same results at the completion of the associated assistance programme.	Readiness Review/ QAE Mechanism CSPs	Annual
3.9 Completed operations rated Satisfactory and Highly Satisfactory (%)	Measures the quality of completed CDB projects and programmes.	Projects and programmes with performance ratings of satisfactory or above (highly satisfactory or Excellent) in PCRs provide an indication that CDB's investments are largely meeting their objectives.	Project Completion Reports	Annual
3.10 Completed CSPs rated Satisfactory and Highly Satisfactory (%)	Measures the quality of completed CSPs.	CSPs with PPI ratings of satisfactory or above (highly satisfactory or Excellent) in PSR provide an indication that CDB's investments are largely meeting their objectives.	Project Completion Reports	Annual
Resource Allocation				
3.11 Concessional resources allocated according to	Concessional resources (SDF) for core country lending and the BNTF that have been apportioned using a	The performance-based resource allocation system is designed for planning financial resources to core country lending on the basis of	Approvals of SDF resources.	Annual

Level 3: How Well CDB Manages its Operations				
Indicator No.	Description	Rationale	Data Source	Frequency
performance-based allocation system (%)	performance-based resource allocation formula, of total available concessional resources.	needs. It is also used for the allocation of BNTF resources among countries participating in BNTF.		
3.12 Disbursement ratio (%)	The disbursement ratio is computed as disbursements for the year under review as a percentage of the total undisbursed balances at the beginning of the year, plus undisbursed balances of projects entering the portfolio minus cancellations or withdrawn balances during the year.	The disbursement ratio is an important measure of the Bank's operational performance because it tracks the pace at which resources are being made available to its clients.	PPMS, ARPP	Annual, calendar year.
3.13 Disbursement (efficiency) rate (%)	The disbursement (efficiency) rate is computed to compare actual to planned disbursements and is a measure of actual disbursement efficiency against anticipated targets for any given year. PBLs are not included in the calculation.	A disbursement efficiency rate close to 100% is desirable: i.e. actual disbursements match those anticipated by project supervisors at the beginning of the period. However, it is possible for the rate to be higher than 100% due to project specific variation, for example, fast disbursing loans can cause the rate to be above 100%. Other factors, such as slow implementation and long gestation periods can cause lower efficiency rates than expected.	PPMS, ARPP	Annual, calendar year.
<i>Strategic Focus</i>				
3.14 Financing directed to less developed BMCs (% , three-year average)	Approved financing (OCR, SDF, and Other Special Funds) to BMCs designated as Less Developed (LDC) (Reference CDB Annual Report) as percentage of total approved financing. A three-year average is taken of the proportion to account for the variability from year to year in the level of approvals.	An important part of the Bank's mandate of contributing to the harmonious economic growth and development of the member countries in the Caribbean is to have special and urgent regards to the needs of the LDCs. The indicator monitors the average proportion of finances approved for the benefit of LDCs over a three-year period.	FlexCube	Annual, calendar year.
3.15 Approved country strategies in use with results frameworks (number)	Country engagement strategies (CES) (formerly country strategy papers) for BMCs prepared by CDB, that have RFs including planned outcome performance indicators that comply with international good practices (SMART, evaluable, data sources and collection methods identified). These CSPs are actively being implemented.	CDB is committed to developing CES for its BMCs to support them in achieving their national development objectives and SDGs. Robust RFs are utilised to track progress towards the achievement of the relevant objectives and outcomes outlined in CES.	As reported by the Economics Department, CDB	Annual, calendar year.
3.16 Approved projects with a gender specific or gender mainstreamed rating (as a % of total projects)	Extent to which CDB projects (loans and grants) significantly considered gender issues in their analysis, data, engagement, and response, to the point of having "mainstreamed gender". This is one of the organizational performance indicators for the enabling environment for implementing the GEPOS.	Measures the extent to CDB projects (loans and grants) mainstreamed gender, in line with the cross-cutting theme of supporting GE.	Project appraisal reports.	Annual, calendar year.
3.17 Percentage of projects within the Gender Action Plan (GEAP):2020-2024 implemented within BMCs and CDB.	The GEAP sets out the Bank's commitments in implementing GEPOS (2019). The actions support the objectives of enhancing GE in the BMCs and within CDB. This is one of the organizational performance indicators for the enabling environment for implementing the GEPOS	As part of its operating procedures, the Bank is committed to mainstreaming GE issues in all its projects and programmes. The Bank will also support the enabling environment of continuous learning and ensure sustainable development impact both in BMCs and internally. Projects within the GEAP include TAs, capital project	Project Appraisal Reports TA Papers PSRs PPMS	Annual, calendar year.

Level 3: How Well CDB Manages its Operations				
Indicator No.	Description	Rationale	Data Source	Frequency
		components, training, country assessment, and research. Internal organisational procedures include policy guidelines, training and dissemination of gender tools and knowledge products.		
3.18 Investment projects with climate-informed design or CVRA (%)	Extent to which climate-related issues have been incorporated in the assessment and analysis as well as designs of the investment project (capital loans and grants).	Measures the extent to which CDB's project designs for loans and grants mainstream climate vulnerability.	Project appraisal reports.	Annual, calendar year.
3.19 Approvals supporting (as a % of total financing): (a) Environment, RE, EE, and CC (supporting climate adaptation and mitigation) (b) RCI (c) Private sector development (d) Governance and capacity building (e) Data collection and analysis (f) Gender equality and GBV	Approvals in the calendar year for projects or programmes concerned with: (a) environment sustainability and CC adaptation or mitigation, (b) RCI, (c) private sector development, (d) governance and capacity building, (e) data collection and analysis, and (f) GE and GBV expressed as a percentage of total approvals.	The indicator gives a measure of the level of commitment each year in the areas (a) to (f)	Projects approved as at December 31 st based on information in the Project Portfolio Management System	Annual, calendar year.