



2023 SDF

**SPECIAL DEVELOPMENT FUND
ANNUAL REPORT**
AND FINANCIAL PROJECTIONS
2024–2026

CURRENCY EQUIVALENT

[Dollars (\$) throughout refer to United States dollars unless otherwise stated]

ABBREVIATIONS

BMC(s)	Borrowing Member Country(ies)	HCO	Haiti Country Office
BNDA	Banque Nationale de Développement Agricole (Agricultural Development Bank, Haiti)	HDI	Human Development Index
BNTF	Basic Needs Trust Fund	HDR	Human Development Report
BSO(s)	Business Support Organisation(s)	IMPACS	Implementation Agency for Crime and Security
CANTA	Caribbean Association of National Training Authorities	INFP	Institut National de Formation Professionnelle (National Professional Training Institute, Haiti)
CBARD	Community-Based Agriculture and Rural Development	ITC	International Trade Centre
CBET	Competency-Based Education and Training	Let's REAP	Learning Recovery and Enhancement Programme
CBU	Caribbean Broadcasting Union	MN	Million
CC	Climate Change	MPI	Multi-Dimensional Poverty Index
CCRIF	Caribbean Catastrophic Risk Insurance Facility	MSMEs	Micro-, Small- and Medium-Sized Enterprises
CDB	Caribbean Development Bank	NCBJ	National Certification Body of Jamaica
CES	Country Engagement Strategy	NDM	Natural Disaster Management
CIIF	Cultural and Creative Industries Innovation Fund	NFT(s)	Non-Fungible Token(s)
COP	Conference of the Parties (to the United Nations Framework Convention on Climate Change)	OECS	Organisation of Eastern Caribbean States
COVID-19	Coronavirus Disease (2019)	PBA	Performance-Based Allocation
CTCS	Caribbean Technological Consultancy Services	PCR's	Project Completion Reports
CVQ	Caribbean Vocational Qualifications	PCs	Participating Countries
DiMSOG	Disaster Management Strategy and Operational Guidelines	PPP	Purchasing Power Parity
DRR	Disaster Risk Reduction	QUEPE	Quality Enhancement in Public Education
DSSI	Debt Service Support Initiative	RCI	Regional Cooperation and Integration
ECLAC	Economic Commission for Latin America and the Caribbean	RE	Renewable Energy
EE	Energy Efficiency	RMF	Results Monitoring Framework
ENAF	Ecole Nationale d'Administration Financière (National Financial Management School, Haiti)	SDF	Special Development Fund
EU	European Union	SDG(s)	Sustainable Development Goal(s)
GDP	Gross Domestic Product	SLBS	Saint Lucia Bureau of Standards
GEAP	Gender Equality Action Plan	TA	Technical Assistance
GSWMA	Grenada Solid Waste Management Authority	TVET	Technical and Vocational Education and Training
GWl	Guyana Water Inc.	UN	United Nations
		UNDP	United Nations Development Programme



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EXECUTIVE SUMMARY

1. The operational performance of the Special Development Fund (SDF/the Fund) of the Caribbean Development Bank (CDB/the Bank) continued to strengthen in 2023, amid ongoing recovery in the Region post-pandemic. While the Bank encountered some setbacks and delays in ongoing efforts to enhance its operational effectiveness, it was able to maintain a focus on delivering development results. Additionally, the financial performance of the SDF was fair, and the Bank demonstrated commitment to applying lessons learned.
2. These aspects of the performance are reviewed in this annual report and are summarised below, from the perspective of four different lenses—Operations, Results, Finance and Learning.

Operations

3. A key highlight of the Fund's operational performance in 2023 was a marked improvement in approvals. Total approvals amounted to \$100.9 million (mn), as compared with \$25.6 mn in 2022. Loan commitments, which had been relatively sluggish at the start of the SDF 10 cycle, rebounded strongly in 2023 such that cumulative loan and grant commitments for 2021–2023 were 23% higher than the levels reached in the corresponding SDF 9 period between 2017 and 2019 (i.e. pre-pandemic) and are on track to fully utilise the indicative allocation for the cycle

by 2024. At \$65.2 mn, disbursements slowed somewhat in 2023, having peaked during the pandemic years, but cumulatively, they were still some 40% higher than they had been during 2017–2019. Operational outturn by thematic area and cross-cutting themes are identified below:

- **Building Social Resilience** - This was the overarching objective of the majority of projects approved and/or under implementation during the review period. The Guyana Water Supply Improvement Project accounted for a sizeable portion of the approvals, utilising all of Guyana's loan allocation for the entire cycle. Other notable projects within this category that were approved and/or disbursed in 2023 supported education and agriculture in Belize, Grenada, Haiti, Saint Lucia, and St. Vincent and the Grenadines. Activities under the Basic Needs Trust Fund (BNTF) programme also fall under this theme. Implementation of the tenth cycle showed solid progress during 2023.
- **Building Environmental Resilience** - Within this area, most of the activities were related to the following:
 - (a) Two approved loans to support disaster risk management (DRM) in Saint Lucia;
 - (b) Disbursements for previous natural disaster management projects; and

- (c) Approval and implementation of regional initiatives to improve disaster response capabilities, enhance project preparation and strengthen climate change (CC) resilience.

- **Building Economic Resilience** - One loan was approved to support micro-, small- and medium-sized enterprises (MSMEs) lending in Belize. In addition, regional grants were approved and disbursed. These included support for MSMEs through the Caribbean Technological Consultancy Services (CTCS) programme, as well as the Cultural and Creative Industries Innovation Fund (CIIF).
- **Cross-cutting Themes** - During the year, the Bank approved a grant to support regional technical assistance (TA) in fiscal and regulatory reforms, as well as a TA to support capacity building in the borrowing member countries (BMCs). The Bank also conducted studies and training to enhance the development of gender-responsive initiatives and to design projects that reduce labour market gender disparities. The Bank led procurement reform in the Region, supporting in-person and online training to improve procurement skills. The Bank also supported a regional programme to enhance the capacity for statistical reporting.



4. Overall, as in 2022, the performance of the SDF portfolio was rated as satisfactory in 2023, with roughly two-thirds of projects rated either “Satisfactory” or “Highly Satisfactory”.

Results

5. Progress on achieving the 2024 targets outlined in the results monitoring framework (RMF) was assessed at three levels:
 - **Progress on SDGs and Regional Development Outcomes** - The results for 2023 were mostly an improvement on the previous year. Notwithstanding a fall-off

in the level of social protection spending relative to national income, the indicators for poverty reduction, income growth and employment were all moving towards 2024 targets. This reflected the recovery in economic conditions among SDF countries following the novel coronavirus (COVID-19) pandemic. To some extent, it also indicated the initial impact of initiatives aimed at building social resilience supported by SDF 10. Owing to such efforts, education indicators regained some of the ground lost during the pandemic in terms of baseline levels. However, they are still not likely to meet targets in 2024. For the main indicator of economic resilience—intra-regional

trade as a proportion of total trade—the target is essentially unattainable within the timeframe. Similarly, targets for the Region to transition to renewable energy (RE) sources will probably be missed. However, emissions reduction targets have already been achieved, and the progress towards targets in DRM and CC resilience has been encouraging.

- **CDB’s Contributions to Results** - After a modest start to the SDF 10 cycle in 2021, the Bank demonstrated increasingly positive performances in 2022 and 2023, on track to achieving most targets in key areas (e.g. water, education, and economic infrastructure.)

In some instances, the Bank had already exceeded targets (e.g. agriculture). Initiatives in the areas of governance, accountability, and regional cooperation and integration (RCI) produced mixed results. However, progress did not meet expectations in the areas of citizen security, disaster risk reduction (DRR) and CC resilience.

- **CDB's Operational Effectiveness** - The Bank's Level 3 performance in 2023 was somewhat mixed. Indicators of efficiency, resourcing and utilisation continued to improve and remained well above targets. Additionally, efforts to enhance selectivity and strategic focus were mostly on track to meet targets. However, indicators related to strengthening operational processes and practices suggested that further work was needed in this area.

Finance

6. Overall, the financial outturn in 2023 was favourable, and the outlook for 2024 and beyond remains relatively sanguine:

- **Resource Utilisation** - Utilisation of loan resources for 2023 reflected the robust recovery in loan approvals during the year. As a result, the utilisation rate for country loan allocations jumped from 12.6% at mid-cycle to just under 60% at the end of 2023. Apart from Haiti, the grant resource utilisation

picture was mainly positive. There was a relatively low uptake of resources earmarked for environmental resilience interventions. On the other hand, the resources set aside for capacity-building, private sector development and gender demonstrated strong utilisation rates, with marked increases in commitments in these areas during the year.

- **Income Growth** - Loan income remained relatively stable, as the stock of loans outstanding remained essentially flat. Conversely, investment income continued to rally after recovering in 2022 from stagnation during the pandemic years.
- **Overall Balance** - With the rate of increase in administrative expenses outpacing income growth, net income was negative (unfavourable foreign exchange conversions were also a factor). Overall, however, unrealised gains on investments resulted in positive comprehensive income.

7. The main takeaways from the report in terms of areas for improvement going forward are building environmental resilience and improving BMC implementation capacity, enhancing the Bank's operational processes and improving its financial capacity. To this end, the Bank proposes to engage in several enabling actions that would allow the SDF to enhance its operational performance and improve its development effectiveness:

- Conducting an implementation diagnostic that identifies capacity weaknesses in client countries and in the Bank. The recommendations will be instrumental in helping to close the Bank's project execution gaps.
 - **Dedicated Results Management Resource** - Operational processes, practices and quality of outcomes will be improved through the provision of a dedicated results management resource for the Bank.
 - **Pipeline Management Framework** - Enhancing the Bank's pipeline framework to improve the Bank's efficiency.
 - **Additional Funds** - More actively seeking out new contributors for funding will increase opportunities.
 - **New Resources** - On-boarding new resources to blend with SDF.
 - **Enhancing Financial Capacity** - Strengthening the Bank's financial capacity based on the new Enterprise Risk Management Framework.
8. As the Bank embarks on negotiations for the next cycle, SDF 11, it will also have available recommendations from a multicycle evaluation of SDF 8 and 9 by 2024 to further strengthen operational performance. This, alongside the continued support of contributors, will be essential in helping the SDF to transform lives.

SUMMARY DATA SHEET (2019–2023)

Items	2019	2020	2021	2022	2023
1. Resources					
No. of contributors at year-end	28.0	28.0	28.0	28.0	28.0
Historical value of resources pledged [\$ million (mn)]	1,412.8	1,419.3	1,607.5	1,607.5	1,607.5
Resources made available (\$ mn)	1,288.6	1,325.3	1,360.2	1,401.3	1,458.4
Accumulated net income (including currency adjustments)	55.5	64.6	56.6	34.7	39.5
Resources not yet made available (\$ mn)	34.1	2.2	34.4	18.3	41.6
Contributed resources and reserves (\$ mn)	1378.1	1,392.2	1451.2	1,454.4	1,539.5
Resources approved but not yet effective (\$ mn)	29.0	29.0	45.8	42.8	53.2
Size of funds (\$ mn)	1,407.1	1,421.1	1,497.0	1,497.1	1,592.8
Funds allocated for grant programmes - Haiti, technical assistance (TA) and basic needs trust fund (BNTF) (\$ mn)	544.9	574.6	607.6	640.6	673.6
Operating lending limit (\$ mn)	862.3	846.5	889.4	856.5	919.2
Loan commitments (signed agreements less repayments) (\$ mn)	738.7	803.6	799.5	786.6	772.6
Commitments as % of operating lending limit	85.7	94.9	89.9	91.8	84.1
2. Loans and Grants					
Value of loan approvals during the year (\$ mn)	10.5	172.7	9.5	18.0	86.1
No. of loans approved during the year including TA loans	2	17	3	5	8
Average size of special development fund (unified) [SDF (U)] loans (\$ mn)	5.3	10.2	3.2	3.6	10.8
Cumulative loan approvals at year-end (\$ mn)	1,323.7	1,496.4	1,505.9	1,523.9	1610.0
Value of loan cancellations during the year (\$ mn)	34.9	2.0	8.9	1.2	-
Cumulative loan cancellations (\$ mn)	116.3	118.3	127.2	128.4	128.4
Cumulative net loan approvals at year-end (\$ mn)	1,207.4	1,378.1	1,378.7	1,395.5	1,481.6
Grant approvals for the year (\$ mn)	7.7	22.5	51.2	8.5	14.9
Value of grant cancellations during the year (\$ mn)	0.4	0.1	0.1	0.6	-
Cumulative net grant approvals at year-end (\$ mn)	511.3	533.6	584.7	592.6	607.5
Total net cumulative approvals (\$ mn)	1,718.6	1,911.7	1,963.4	1,988.1	2089.1
3. Resource Flows (\$ mn)					
Disbursements of loans during the year	32.2	87.3	59.3	47.9	35.8
Disbursements of grants during the year (including BNTF)	27.9	27.4	36.2	21.8	29.4
Debt service from borrowers	48.9	50.1	51.3	53.5	57.7
(of which repayments)	30.0	31.6	34.3	35.9	37.9
Net transfers during the year	11.2	64.6	44.2	16.2	7.5
Cumulative net transfers	584.4	649.0	693.2	709.5	717.0
4. Financial Summary					
Administrative expenses (\$ mn)	15.4	15.9	15.7	17.0	20.5
Net income (\$ mn)	8.5	8.5	0.1	0.8	(3.1)
Gross loans outstanding (\$ mn)	537.4	593.2	618.3	630.4	625.1
Administrative expenses/Average loans outstanding (%)	2.9	2.8	2.6	2.7	3.3
Interest earned on average loans outstanding (%)	3.5	3.3	2.8	2.8	0.0

SDF 10 OPERATIONAL STRATEGY

The operational strategy for the SDF Tenth Cycle (SDF 10) has at its core, the principle of inclusivity while promoting poverty reduction through sustainable growth and development. SDF 10 was formulated within the context of a far-reaching international development agenda through agreements reached on the Sustainable Development Goals (SDGs)—CC at the United Nations (UN) Conference of the Parties (COP) (Paris); Financing for Development (Addis Abba Action Agenda); SAMOA Pathways and the Sendai Framework for DRR. While these agreements form the broad strategic framework for the SDF 10, the programme was also influenced by several ongoing developments in the international and regional economy. In particular, SDF 10 was framed against the background of the COVID-19 pandemic, which has caused considerable global economic and social shock. Its implications have the potential to greatly undermine resilience-building efforts in the economic and social spheres, along with a rapidly changing international environment characterised by rising geo-political uncertainty and growing protectionism alongside a general increase in populism.

The tenth cycle has three core and four cross-cutting themes. Given the limited resources and the existence of other partners in the development space, selectivity and focus were guiding principles in arriving at the key themes. It was also determined that development effectiveness could be enhanced and the risk of duplication reduced through partnerships with other key stakeholders, and by adopting regional solutions, where appropriate. Consequently, the core themes are the following:

1. **Building Social Resilience and Leaving No One Behind:** This focuses on the core areas of comparative advantage of CDB, such as social infrastructure, education and training, initiatives geared towards capacity building as well as youth development, agriculture and rural development, and water and sanitation.

2. **Building Economic Resilience for Inclusive Growth:** This encompasses economic infrastructure; private sector development inclusive of MSMEs, and support for blue economy initiatives.
3. **Building Environmental Resilience:** This comprises environmental management, climate adaptation and mitigation, DRM and promotion of renewable energy [RE/energy efficiency (EE)] solutions.

Cross-Cutting Themes

The cross-cutting themes are gender equality (GE), good governance, RCI and digitalisation.

Other Strategic Issues

Basic Needs Trust Fund and Haiti

The work of the BNTF is financed through an allocation under SDF 10, and SDF 10 provides further support for Haiti as a country with special development concerns.

Caribbean Technological Consultancy Services

This 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.

Development Effectiveness and Reporting on Results

This focuses on enhancing the capacity to develop and implement SDF 10 priorities as well as undertake programmes and country strategy evaluations.







1 INTRODUCTION

1. INTRODUCTION

1.01 As highlighted in Figure 1.1, the SDF has played an important role in development finance in the Caribbean since 1984. While the Region has come a long way with SDF support since then, the path forward holds both challenges and opportunities. The Fund will remain indispensable as an intermediary channelling concessional resources from its contributors to its BMCs.

1.02 Each year, the SDF Annual Report helps to keep the Fund accountable to its stakeholders by systematically monitoring and evaluating the implementation of SDF-funded programmes in terms of their alignment with the SDF 10 operational strategy and RMF and outlining the financial implications of these operations.

1.03 This edition of the report reviews the cumulative performance of SDF 10 up to 2023, its penultimate year, which is a useful vantage point for evaluation. It will provide valuable data and lessons learned to inform the replenishment negotiations and programme design processes taking place in 2024, as stakeholders gear up for the expected commencement of SDF 11 in 2025.

1.04 In 2023, as part of the governance framework of SDF, the Bank commissioned an independent mid-term review to assess the performance of the Fund. The analysis reinforced the need for and importance of the SDF in providing concessional support to address pressing issues of poverty and vulnerability. It also provided useful recommendations to ramp up the Fund's

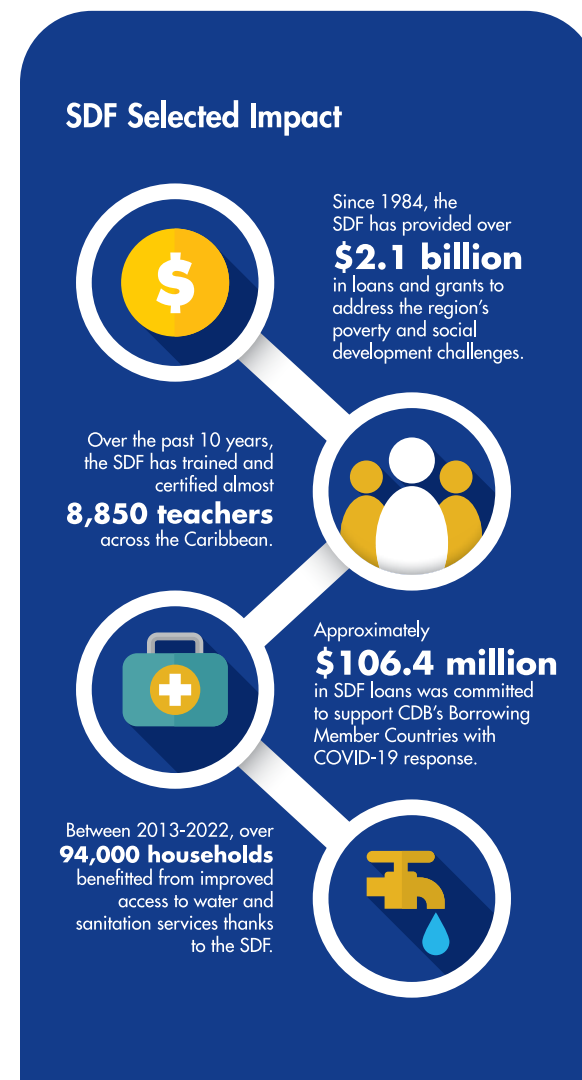
operational capacity. Key recommendations included suggestions on addressing the underlying issues hindering approvals; revisiting the SDF RMF to ensure better alignment with the corporate RMF; reviewing the implementation plan so that it better reflects actions that can be achieved by the end of the cycle; implementing measures to speed up the approval process of the BNTF; tailoring the Haiti programme to the needs of a fragile state; and placing greater emphasis on the programmatic and regional approaches to utilising SDF resources.

1.05 There was a marked improvement in the operational performance of the SDF in 2023. Following a sluggish first half of the cycle, approvals of both loans and grants picked up in 2023. Commitments were also generally well aligned with SDF 10 operational themes, although there has been a noticeably higher demand for interventions under the theme of social resilience, post-pandemic. This demonstrates the SDF's strategic relevance, as well as its responsiveness to changes in the development context and client needs.

1.06 In addition, although disbursements continued to gradually come down from the exceptional levels seen during the pandemic years, they were higher than in 2019, the comparable year of the previous cycle. Resource utilisation was therefore back on track to reach programmed levels by the end of the cycle in 2024.

1.07 Further to the turnaround in resource utilisation rates and continued strategic alignment and responsiveness, the Fund's 2023 outturn was marked

Figure 1.1



by a satisfactory project portfolio performance, adequate progress towards most development targets and generally sound financial management. It was a welcome improvement relative to the first half of the cycle, albeit with room for further improvement in several areas.

1.08 The remaining sections of this report will elaborate on these highlights under the following headings:

- (a) **Operational Performance** - This will review (i) trends in approvals/commitments and disbursements concerning SDF 10 strategic operational themes; (ii) project performance within the SDF portfolio; and (iii) highlights of the BNTF, CTCS and Haiti programmes that are exclusively SDF-funded;
- (b) **Results Progress** - This will review (i) progress towards the SDGs and regional development outcomes; (ii) CDB's contribution to results; and (iii) CDB's operational effectiveness; and
- (c) **Financial Performance** - This will review the SDF's financial results in 2023 and forecasts for 2024–26.

1.09 The report will conclude with a discussion of the outlook for 2024 and beyond. It will include key enabling actions that will enhance the Fund's performance, as a basis for determining the next steps going into SDF 11.

BOX 1.1 • SDF AT WORK

THE MON REPOS PROCESSING AND PACKAGING FACILITY PROJECT

OBJECTIVE:
Processing & Packaging
Facility Construction &
Training Programme

LOCATION:
Mon Repos, East Coast
Demerara, Region #4,
Guyana

INVESTMENT:
US\$665,000
IMPLEMENTING ENTITY:
BNTF Implementing Agency



The Mon Repos Processing and Packaging Facility Project is actively enhancing the agro-processing capabilities of small farmers in Guyana. The intervention involved the construction of a modern agro-processing and packaging facility and the training and capacity-building for over 90 rural farmers.

The facility aims to address the challenge of food spoilage and wastage exacerbated by CC and fluctuating market demands. In 2016, approximately 30% of local fruits and vegetables in the country were lost before reaching consumers, adversely impacting farmers' income and livelihoods.

Key project activities included the design and construction of the building, supply and installation of equipment for continuous production lines of passion fruit, pepper pulp and herbal tea, and extensive training for beneficiaries in good agricultural practices and post-harvest loss mitigation.

This investment in infrastructure and human capital is anticipated to increase incomes, food security and sustainable livelihood development, along with expanding the export potential of small-scale farmers. It will benefit the communities of Ithaca, Mocha, Beterverwagting/ Triumph and Buxton/Friendship.

This initiative is impacting several areas of focus for the CDB, including sustainable development, CC resilience, capacity building and poverty reduction. The project's success is a testimony to the power of partnerships as outcomes were achieved through collaboration between the National Agricultural Research and Extension Institute, the CDB and the Guyana School of Agriculture.

BOX 1.1 • SDF AT WORK CONT'D

GUYANA SKILLS DEVELOPMENT AND EMPLOYABILITY PROJECT

OBJECTIVE:

Expansion & Rehabilitation of the Fellowship Practical Instruction Centre

LOCATION:

Fellowship, West Coast Demerara, Region #3, Guyana

Investment:

US\$1, 236, 811

IMPLEMENTING ENTITY:

Project Coordination Unit, Ministry of Education



The Guyana Skills Development and Employability Project was designed to enhance the TVET environment of the Fellowship Practical Instruction Centre to address the unemployment of a population of 400 students.

To enhance the technical and vocational education and training (TVET) environment, a Learning Resource Centre was constructed with specialised workshops, a sanitary block including changing rooms and the rehabilitation of existing facilities. New tools and equipment were provided for each workshop and the institution's security was bolstered with the installation of a new perimeter fence. The project scope also included the addition of a parking area, and an upgrade of existing sanitation facilities, including provisions for persons with disabilities.

Through the Ministry of Education, the Government of Guyana is now able to offer Caribbean Vocational Qualifications Level 1 programmes at the centre in commercial food preparation, masonry and plumbing.

The additions expanded the curriculum, which previously comprised furniture making and electrical installation.

Overall, the enhancements are benefiting students, some of whom are early school leavers, principals, teachers, workshop assistants and members of the surrounding communities. The upgrades have created a more conducive learning environment and are directly addressing the issue of expanding the supply of skilled and employable labour with regionally acceptable certification by equipping students with relevant skills for the workforce. The Centre will eventually offer evening programmes as part of a lifelong learning initiative, ensuring broader access to demand-driven TVET and taking a substantial step towards reducing unemployment in the region.







The background image is a composite of two scenes. The upper portion shows a steep, lush green hillside densely packed with colorful, multi-story houses in shades of blue, green, orange, and white. The lower portion shows a waterfront building with a green tiled roof and red walls, situated on a concrete pier. The building has large arched windows and a fenced-in outdoor area with yellow awnings. In the foreground, there is a green concrete wall and a paved area with some green benches.

2 OPERATIONAL PERFORMANCE

2. OPERATIONAL PERFORMANCE

Overall Loan and Grant Operations

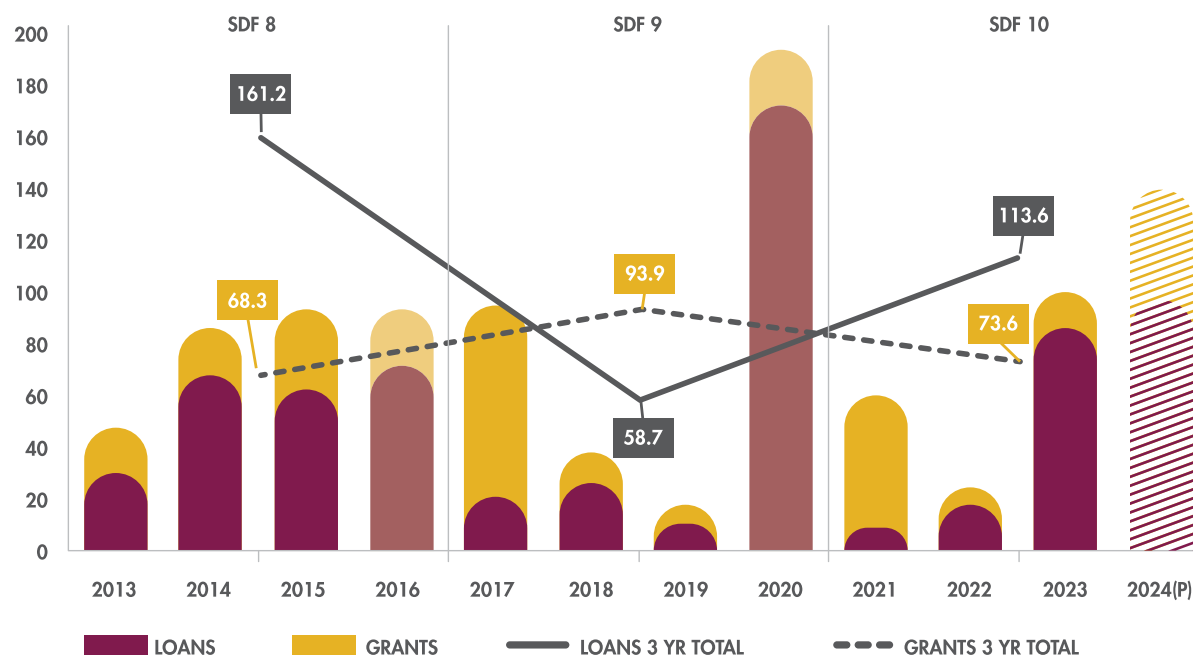
APPROVALS/COMMITMENTS

2.01 As illustrated in Figure 2.1, the current SDF cycle and the previous one have both been characterised by an uneven distribution of commitments, especially in comparison to SDF 8.

2.02 Notably, there was a spike in loan commitments in 2020, the final year of SDF 9, which provided BMCs with a financial lifeline in the face of the socioeconomic fallout caused by the pandemic. However, in subsequent years, additional expenditures for vulnerable groups along with a decline in revenues resulted in concerns about debt sustainability. This reduced the appetite even for concessional borrowing. For the first two years of the SDF 10 cycle, the lingering impact of the pandemic and tenuous economic recovery, among other factors, restricted the ability of BMCs to absorb new resources.

2.03 Although some pick-up in loans was observed in 2022, the rate of recovery accelerated in 2023, resulting in a significant rebound in both loans and grants. Cumulative commitments under SDF 10 as of December 2023, therefore, amounted to \$187.7 mn, which was 22.7% higher than that of the comparable

Figure 2.1: Loan and Grant Commitments SDF 8–10 (\$mn)



(P) = Projected values for 2024

three-year period of SDF 9 (when they declined by 33.5% relative to the SDF 8 reference period).

2.04 Additionally, this amount represented almost half of the total indicative allocation for SDF 10

(47.6% versus 43.8% for the comparable period in SDF 9), highlighting the extent of the rebound in 2023, since less than a quarter of the indicative allocation had been committed in the first two years of the cycle (see Table 2.1).



Table 2.1: Commitments and Indicative Allocation 2017–2023

Item	SDF 9						SDF 10				
	2017	2018	2019	2020	Total	Average	2021	2022	2023	% of Allocation	Indicative Allocation
Loan Commitments	21.5	26.7	10.5	173.0	231.7	57.9	9.5	18.0	86.1	45.2	251.0
Grant Commitments:											
Haiti	24.1	3.0	3.0	13.8	43.9	11.0	7.5	3.0	0.0	23.4	45.0
BNTF	40.0	0.0	0.0	0.0	40.0	-	40.0	0.0	0.0	100.0	40.0
TA of which:											
Capacity building	1.2	2.7	1.2	3.9	8.9	2.2	1.2	2.3	5.5	74.5	12.0
CTCS	0.8	1.1	0.7	0.4	3.0	0.7	-	-	-	-	-
Agriculture and rural development	1.3	0.1	0.1	1.3	2.8	0.7	-	-	-	-	-
Environmental resilience					-	-	0.3	0.9	2.1	17.3	18.0
Environmental sustainability, CC and sustainable energy	0.9	1.9	0.1	0.0	3.0	0.7	-			-	-
Disaster response	1.6	0.6	0.4	0.0	2.7	0.7	-			-	-
Private sector development							2.0	1.0	6.7	64.9	15.0
RCI and RPG	1.8	1.3	0.6	0.3	3.9	1.0	-	-		-	-
Private sector enabling environment	0.6	0.3	0.1	1.2	2.3	0.6	-	-		-	-
BMC capacity building (Statistics and governance)	2.0	0.8	1.5	1.6	6.0	1.5	-	-		-	-
Gender					-	-	0.1	1.0	0.6	84.7	2.0
Total Grant Commitments	74.3	11.9	7.7	22.5	116.4	29.1	51.1	8.1	14.9	56.2	132.0
Total Commitments	95.8	38.6	18.2	195.5	348.2	87.0	60.7	25.6	101.0	49.0	383.0

2.05 Figure 2.2 below indicates that loan and grant commitments were generally aligned with SDF 10 strategic operational themes and that the share of commitments under each theme was roughly in line with its share of the indicative allocation. Commitments to support social resilience exceeded expectations, while those for economic resilience and environmental resilience were slightly lower.

2.06 Table 2.2 provides a further breakdown of loan and grant commitment performance in relation to indicative allocation by strategic operational theme. In 2023, the lion's share of commitments went towards initiatives under the theme of Building Social Resilience and Leaving No One Behind (\$67.1 mn), followed by Building Economic Resilience (\$15.8 mn), Building Environmental Resilience (\$13.5 mn) and Good Governance (\$3.8 mn) and GE (\$0.6 mn).

Figure 2.2: Strategic Alignment - Shares of Total Commitments (2021–2023) and Indicative Allocation by SDF 10 Strategic Operational Theme



Building Social Resilience and Leaving No One Behind

2.07 Loans approved under this theme in 2023 amounted to \$62.1 mn. A significant portion of this (\$38 mn¹) was approved for the Guyana Water Supply Improvement Project, which will address water shortages in targeted coastal communities by enhancing access to safe and reliable water supply. Saint Lucia received the next largest share of loan approvals under this theme, totalling \$10.7 mn. The Youth Economy Project (\$6.3 mn loan and \$0.5 mn grant) will address the high level of youth unemployment in that country by providing financial support and training to young persons operating MSMEs in various sectors. The Student Loan Line of Credit (\$3.7 mn loan and \$0.3 mn grant) will enhance the employability of persons from the lowest income groups, by enabling access to tertiary education that would not otherwise be affordable. Other loan approvals were for varying the scale and scope of the existing Grenada Education Enhancement Project Phase II (\$12 mn) and the Saint Vincent and the Grenadines School Improvement Project Phase I (\$2 mn), to enhance the quality, relevance and equity of basic education in those countries. In the absence of approvals under the Haiti programme (which was largely attributable to the deteriorating security situation there), total grant approvals during the year totalled \$5.0 mn, of which \$3.7 mn went towards regional TA projects, mostly (\$3 mn) for the European Union (EU) Food Security Programme.

2.08 Based on this performance, cumulative commitments in the area went from accounting for 24.8% of the indicative allocation at the end of 2022 to 56.6% by year-end 2023.

Table 2.2: Commitments and Indicative Allocation 2021–2023 by SDF 10 Strategic Operational Theme (\$mn)

	Loans			Grants			Cumulative Commitments	Indicative Allocation	% of Indicative Allocation
	2021	2022	2023	2021	2022	2023			
Building social resilience	2.0	8.8	62.1	40.6	1.0	5.0	119.5	211.0	56.6
Building economic resilience	0.0	9.2	12.5	1.8	1.7	3.3	28.5	70.0	40.7
Building environmental resilience	7.5	0.0	11.5	7.4	3.9	2.1	32.4	80.0	40.5
Cross-cutting areas:									
GE	-	-	-	0.1	1.0	0.6	1.7	2.0	84.7
Good governance	-	-	-	1.2	0.5	3.8	5.5	20.0	27.7
Total	9.5	18.0	86.1	51.1	8.1	14.9	187.7	383.0	49.0

¹Total project cost was \$89.4 mn. CDB blended SDF with other resources, including OCR.

Building Environmental Resilience

2.09 Two loans were approved under this theme in 2023, both to Saint Lucia, adding up to \$11.5 mn. The Enhancing the Saint Lucia Fire Service Project (\$10.0 mn loan plus \$0.2 mn grant) will improve the vulnerability of the population to disaster risks, by enhancing the capacity of the Fire and Emergency Department to expand and improve emergency response services. The \$1.5 mn Immediate Response Loan was approved in response to the November 2022 Severe Flooding Event. The loan, which was consistent with the Bank's Disaster Management and Operational Guidelines (DIMSOG), supported emergency clear up and restoration of important infrastructure. The remaining grant commitments (\$2.1 mn) in this category went towards regional initiatives to improve disaster response capabilities, most significantly to the Caribbean Disaster Emergency Management Agency (CDEMA) (\$0.75 mn); towards support for phase one (\$0.1 mn) of the Bank's new Regional Electricity Sector Regulatory Assertive, which will encourage more investment in RE; and towards enhanced project preparation and preparation for events such as meetings of the COP to the UN Framework Convention on Climate Change.

2.10 Cumulative commitments under this theme, therefore, progressed from 23.5% of indicative allocation after the first two years of the cycle to 40.5% as of year-end 2023.

Building Economic Resilience

2.11 One loan was approved under this theme in 2023. The Belize Agricultural and Industrial Line of Credit (\$12.5 mn) will address a shortage in affordable credit for businesses in agriculture and agribusiness, tourism and hospitality, manufacturing and RE. A total of \$3.4 mn in grants were approved, most of which were regional grants, including support for the creative industries (\$1.3 mn) and the CTCS programme (\$1 mn). Grants were also approved for a Climate Smart Agriculture Knowledge and Information Platform (\$0.4 mn), which will facilitate the sharing of best practices to improve food production and a Guyana Food Products Traceability System (\$0.3 mn). Both interventions will help the Region meet its food security targets.

2.12 As a result, cumulative commitments advanced from 18.1% of indicative allocation at the mid-term point to 40.7% at December 2023.

Cross-Cutting Themes

2.13 There were also commitments under the cross-cutting themes of good governance and gender equality. Under good governance, the Bank provided \$2 mn to the Caribbean Regional Technical Assistance Centre to support its work in strengthening BMCs' fiscal administration, improving economic and social statistics, accounting and regulatory and supervisory practices. The

Bank also approved a \$0.75 mn TA to support capacity building in the BMCs to improve project appraisal, delivery and performance. Grants were also approved for needs assessments and programme evaluations. During the year, the Bank approved studies and training to enhance the development of gender-responsive initiatives and its ability to design projects that reduce labour market gender disparities.

Cumulatively, this translated into more progress than in the first two years of the cycle concerning the Good Governance and GE themes, which rose from 8.7% to 27.7% and 54.7% to 84.7% of their respective indicative allocations over the year.

DISBURSEMENTS

2.14 In 2023, as in 2022, loan disbursements continued to taper off from the unusually high levels seen in 2020 and 2021. At that time, regional economies were tapping into the Debt Service Support Initiative (DSSI) for liquidity support to finance pandemic policy responses. Regarding grants, disbursements in 2023 remained consistent with cyclical trends. Overall, as shown in Table 2.3, cumulative disbursements for the SDF 10 cycle as of December 31, 2023, were still more than 40% higher than in the analogous period of the previous cycle.

Table 2.3: Annual SDF Disbursements 2017–2023 (\$mn)

Item	SDF 9						SDF 10				
	2017	2018	2019	2020	2017–2019	3-yr Average	2021	2022	2023	2021–2023	3-yr Average
Loan disbursements	30.0	21.8	32.2	87.3	84.0	28.0	59.3	47.9	35.8	143.0	47.7
Grant disbursements											
TA	5.6	10.5	10.3	6.9	26.4	8.8	6.9	5.9	6.5	18.6	6.2
Haiti	8.6	4.2	8.0	7.9	20.7	6.9	16.7	8.7	9.8	35.1	11.7
BNTF	16.7	5.4	9.6	12.6	31.7	10.6	12.7	7.2	13.1	33.0	11.0
Total grant disbursements	30.9	20.1	27.9	27.4	78.9	26.3	36.3	21.8	29.4	86.7	28.9
Total disbursements	60.9	41.8	60.1	114.7	162.8	54.3	95.6	69.6	65.2	229.7	76.6

Table 2.4: Disbursements by Strategic Operation Theme (\$mn)

Item	Loans				Grants				Total			
	2021	2022	2023	Total	2021	2022	2023	Total	2021	2022	2023	Total
Building economic resilience	36.3	16.6	7.1	60.0	11.0	3.1	2.5	16.6	47.3	19.7	9.5	76.5
- Financial/Liquidity support	31.0	1.5	4.2	36.7	-	0.6		0.6	31.0	2.1	4.2	37.3
- Infrastructure development	5.3	15.1	2.5	22.9	10.2	1.2	0.2	11.6	15.5	16.3	2.7	34.5
- Institutional strengthening	-	-	0.4	0.4	0.8	1.3	2.3	4.4	0.8	1.3	2.6	4.7
Building social resilience	18.7	18.6	17.5	54.8	23.8	10.5	22.1	56.4	42.5	29.1	39.6	111.2
Building environmental resilience	4.3	12.7	11.3	28.3	0.7	7.9	3.7	12.3	5.0	20.6	14.9	40.5
Crosscutting areas	-	-	-	-	0.8	0.3	1.1	2.2	0.8	0.3	1.1	2.2
Total	59.3	47.9	35.8	143.0	36.3	21.8	29.4	87.5	95.6	69.7	65.2	230.5

SDF PORTFOLIO ANALYSIS

Project Performance Rating

2.15 As of 2022, the performance of the SDF portfolio was rated overall as satisfactory in 2023, with roughly two-thirds of projects rated either Satisfactory or Highly Satisfactory. Appendix V provides a more detailed analysis of portfolio performance.

Projects at Risk

2.16 Based on information from Project Supervision Reports (PSRs), three projects (7%) were classified as “at risk”. At-risk projects covered three BMCs and two sectors. Table 2.5 (right) provides a summary of the issues related to at-risk projects or loans.

Table 2.5: Summary of Projects/Loans Flagged “At Risk” For 2023

Name of Project and Approved Value (\$'000)	Country	Cumulative Disbursement as of 2023-12-31 (\$'000)	Age	Key Issues
1. NDM - Rehabilitation and Reconstruction (Tropical Storm Ophelia) (\$4,100)	DOM	1,223 (30%)	11.8	<ul style="list-style-type: none"> Land acquisition Delays in appointing project staff
2. Integrated Solid Waste Management Project (\$10,700)	GRN	6,354 (59.4%)	8.9	<ul style="list-style-type: none"> The Public Education Awareness Programme has not yet been implemented as the Executing Agency's (EA's) implementation rate has been slow. Expected to commence by Q3 2024. Both supply of equipment for Grenada Solid Waste Management Authority (GSWMA) and Composting Feasibility Study Consultancy have delayed implementation but are currently underway.
3. NDM - Rehabilitation and Reconstruction – Hurricane Tomas/North Windward (\$12,226)	STV	1,034 (12%)	12.1	<ul style="list-style-type: none"> Suspension of works by the contractor due to delayed payment of VAT by the Government of St. Vincent and the Grenadines. Shortage of skilled labour due to an upsurge in construction activity over the past year. Poor production rate by the contractor.

BNTF PROGRAMME HIGHLIGHTS

2.17 The BNTF is the SDF's signature programme, a regional initiative aimed at reducing poverty and improving the quality of life for vulnerable communities. It focuses on three priority areas: (i) Basic community access and drainage improvement; (ii) Education, human resources and livelihoods enhancement; and (iii) Water and sanitation improvement.

2.18 The current cycle (BNTF 10) is being implemented in collaboration with the national governments of nine participating countries (PCs), namely, Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, Saint Lucia, Saint Vincent and the Grenadines, and Suriname, as well as community-based organisations and other development partners. See Figure 2.2 for further details.

Figure 2.2: BNTF Programme Summary

**BNTF 10
PROGRAMME
AT A GLANCE**

DATE APPROVED:
April 27, 2021

TERMINAL DISBURSEMENT DATE:
Dec 31, 2024

	US\$m
SDF 10 (U) Grant Resources from which:	40.0
Country projects	36.0
Regional coordination by CDB	4.0
Government Counterpart	7.6
Total Approved Cost/Financing	47.6

Project Performance

2.19 In 2023, BNTF disbursed \$14.9 mn (37%) of the grant resources allocated for country projects to PCs. Of the 93 projects approved previously, 14 were completed during the year (eight in Saint Vincent and the Grenadines, five in Saint Lucia and one in Montserrat), delivering much-needed benefits to target communities. Specifically, these projects involved the following:

- (a) **Basic Community Access and Drainage Improvement** - Rehabilitation of rural roads to reduce travel time and improve economic activities and access to service and emergency vehicles;
- (b) **Education, Human Resources and Livelihoods Enhancement** - Building or refurbishing classrooms, including provision of furniture and equipment, to ensure a more conducive teaching and learning environment; and
- (c) **Water and Sanitation Improvement** - Construction of a water storage facility to improve the reliability of potable water supply.

2.20 Besides these completed projects, some projects launched in 2023 remain under implementation. Box 2.1 details initial results from ongoing project activities in Guyana. Table 2.6 outlines the results achieved in 2023. The most significant strides were made in basic community access and drainage improvement followed by water, sanitation and education.

BOX 2.1 • BNTF FUNDS WATER ACCESS AND RESILIENT SYSTEMS IN GUYANA

BNTF, in collaboration with Guyana Water Inc. (GWI), trained 50 persons from 15 villages in the hinterland of Region Nine in December 2023 to do basic maintenance and inspection of the water systems within their communities.

The training was conducted under BNTF 10 and builds on the 2,043 beneficiaries (980 males and 1,063 females) of new water systems who were impacted under BNTF 9 and 15,188 individuals (6,584 males, 8,604 females) who benefitted under cycle 7. Under the BNTF 10 cycle, an allocation of \$1,127,280 was made for the water and sanitation sector in Guyana with counterpart funding of \$59,331 from the Government of Guyana.

The implementation of these water and sanitation sub-projects in the identified communities provides enhanced access to safe water for the residents. Support and funding from BNTF have helped facilitate an integrated approach to improving water, sanitation and hygiene. This includes water service infrastructure as well as training opportunities in sanitation, hygiene and water systems maintenance and management.

BNTF Training Participants



The trainees from the 15 targeted villages now have the competency to operate and maintain the water transmission and distribution system, including standard pipe installation and service connection techniques and leak repair methods. They have learned the types of pipe fittings, tools and the general hydraulics of water supply systems used by GWI in the Hinterland communities. They have also been educated in the operation and maintenance of the photovoltaic systems such as installation, operations, maintenance and troubleshooting of photovoltaic pumping systems used by the GWI in their communities.

Overall, BNTF investment is helping to build positive environmental impacts, including improved water, sanitation and hygiene practices for the communities benefiting from water supply sub-projects. The residents, especially the women and children, will spend less time collecting water for domestic purposes, allowing more time for productive work and attending school, respectively. They will now also have a safe and reliable water supply, unlike the unreliable and unsafe sources such as hand pumps, rainwater harvesting, rivers and creeks that were previously used.

Reducing the time it takes to access potable water will result in several other improvements. These include a reduction in water-borne diseases caused by the use of water from shallow hand-dug wells or rivers and the promotion of better sanitation and personal health practices in homes. This will also have a positive effect on other development activities within the communities and help ensure water security, which is a necessary social service and a basic human right for all people.

Table 2.6: BNTF 10 Performance by Priority Area As of December 31, 2023

Priority Area	Key Performance Indicator	Actual
Basic community access and drainage	Infrastructure	
	Secondary and other roads built (km)	2.1
	Beneficiaries	
	Beneficiaries of upgraded roads	1,252
	Male	641
Education, human resources and livelihood enhancement	Female	611
	Infrastructure	
	Classrooms built and upgraded	12
	Beneficiaries	109
	Male	46
Water and sanitation services improvement [WASH]	Female	63
	Infrastructure	
	Installed water capacity (m3)	378
	Households with access to water supply	493
	Beneficiaries	
	Beneficiaries of WASH Training	50



Proposal Writing Workshop

Building Community Capacity

2.21 As a corollary to project activities, during the year, BNTF sought to strengthen target communities' project implementation capacity by conducting a three-country baseline assessment and using the results to design and implement a highly successful regional capacity-building workshop series.

2.22 More specifically, in February 2023, 32 groups were assessed as part of a BNTF 10 Beneficiary Groups and Programme Assessment Pilot exercise in Jamaica, Guyana and Saint Lucia.

2.23 In response to the gaps identified, BNTF held Proposal Writing Training Workshops in Jamaica and Guyana. Entities such as the Lasco Chin Foundation, Flow Foundation, Grace Kennedy Foundation and in

the case of Guyana, the UK Foreign Commonwealth and Development Office provided donations in support of the workshops in prize giveaways, products and participant funding exceeding \$3,500. Ninety-four community leaders and community development professionals were trained in proposal writing and 76 draft project concepts were completed. To date, six proposals were submitted, valued at \$357,000 and three were approved for funding valued at \$152,000.

2.24 In addition to the proposal writing outcomes in Jamaica and Guyana, the Goodlands Beneficiary Advisory Committee in Saint Lucia was also legally registered as a community group with an elected executive committee, already implementing other small projects.

Visibility, Knowledge Management and Strengthened Partnerships

2.25 With each cycle implemented, BNTF draws upon the lessons learnt from its medium-term evaluation as well as ongoing assessments. A review of previous cycles indicated that BNTF needed to strengthen its knowledge management and communications efforts to highlight more of its transformative work. Increased visibility was identified as key to building more strategic partnerships.

2.26 On that basis, BNTF actively pursued a more robust visibility and partnership approach in 2023 and has made great strides in advancing these two areas regionally. Significant progress has been achieved through strategic engagements with various stakeholders, including private sector entities, international donor agencies and local organisations.

2.27 As a part of the strengthened focus on boosting the awareness and visibility of the BNTF, a three-country assessment was conducted in Jamaica, Saint Lucia and Guyana. The results showed only moderate awareness of the BNTF in these countries. Hence, more videos and media outreach were done to enhance the visibility and awareness of BNTF. Ten press releases and four videos were produced during the year. [CDB's BNTF Community Liaison Officers Gender Training \(youtube.com\)](#) and [BNTF's Three Country Community Assessment \(youtube.com\)](#) are examples. In one instance in Jamaica, based on the visibility around the launch of a BNTF-funded therapeutic centre, the Jamaica Observer in its editorial lauded BNTF and CDB for a job well done ([Nice work, Caribbean Development Bank: hardly a better way to spend \\$202m - Jamaica Observer](#)). The PCs

have also been mobilised and are increasingly sharing information about the work done in-country on their social media platforms. Setting up WhatsApp groups for Community Liaison Officers and Project Managers has also increased cross-country communication among the PCs.



Safe Schools Programme: August Town, Jamaica

2.28 The year also saw notable achievements in partnership building. These include the successful execution of partnership missions in Suriname, where key members of the CDB BNTF team engaged in productive discussions with potential partners. The purpose was to sensitise key private sector entities and other stakeholders to the work of BNTF and to explore potential areas for collaboration and synergies for 2024 and beyond.

2.29 Another partnership highlight occurred in August when the BNTF entered into a partnership agreement with the Caribbean Broadcasting Union (CBU) to sponsor one of its regional media awards. This

award focuses on the BNTF strategic areas (poverty alleviation, education, health, gender and CC) and is open to CBU's members in more than 20 countries with an approximate reach of 4.8 million persons. The CBU will also disseminate videos produced by BNTF to its members for further airing. This collaboration will help increase the visibility and awareness of BNTF programmes.

2.30 In October, BNTF added to its partnership and visibility outreach through its coordination and participation in a symposium for the International Day for Poverty Reduction. Initially initiated by BNTF, this activity grew to involve a collaboration with the Africa Development Bank, the World Bank and KoboToolbox (an open-source platform for collecting, managing and visualising data), which saw 60 participants from more than 27 countries sharing the best practices, case studies and community voices on how to use data to inform poverty eradication interventions globally.

2.31 One of the final highlights of the year occurred in November 2023, with the Caribbean Philanthropic Alliance. This dialogue saw a CDB-BNTF representative participating in a panel titled "The Look and Feel of Philanthropy in the Caribbean" as part of the Caribbean Philanthropic Alliance Conference for the International Day for the Eradication of Poverty. The entity commended CDB's impactful role in empowering local communities, nurturing innovation and fostering collaboration among stakeholders. Both organisations agreed to continue dialogue on ways to collaborate in 2024.

CTCS Network

2.32 In 2023, in keeping with continued efforts aimed at building production resilience and enhancing the capacity of MSMEs in the Region, CDB approved and disbursed \$1.4 mn and \$1.4 mn, respectively, in support of TA interventions through its CTCS Network (see Figure 2.3 for a breakdown by BMC).

2.33 Within this scope, several projects were designed and implemented to contribute towards improving the competitiveness and resilience of MSMEs, benefitting 500 businesspersons (166 males and 334 females) across the key intervention areas, as reflected in Figure 2.4 below.

Technology Application

2.34 Recognising the need to promote innovation and increased technological application within the MSME sector, the Bank approved \$225,000 to co-finance a project in partnership with the Organisation of Eastern Caribbean States (OECS) Commission. The project, entitled “Advancing the OECS as a Global Startup and Innovation Hub”, is being implemented in two phases through the OECS Competitive Business Unit in partnership with Draper University. It is envisioned that the capacity and competitiveness of beneficiary technology and technology-enabled start-ups and MSMEs in the OECS will be enhanced through their participation in the following two components of the project:

- (a) **Virtual Start-up Accelerator Training Programme** - An online certificate training programme in the fundamentals of entrepreneurship featuring online training sessions, and one-to-one mentoring targeted at 200 persons.

Figure 2.3: CTCS Approvals and Disbursements by BMC in 2023 (US\$)

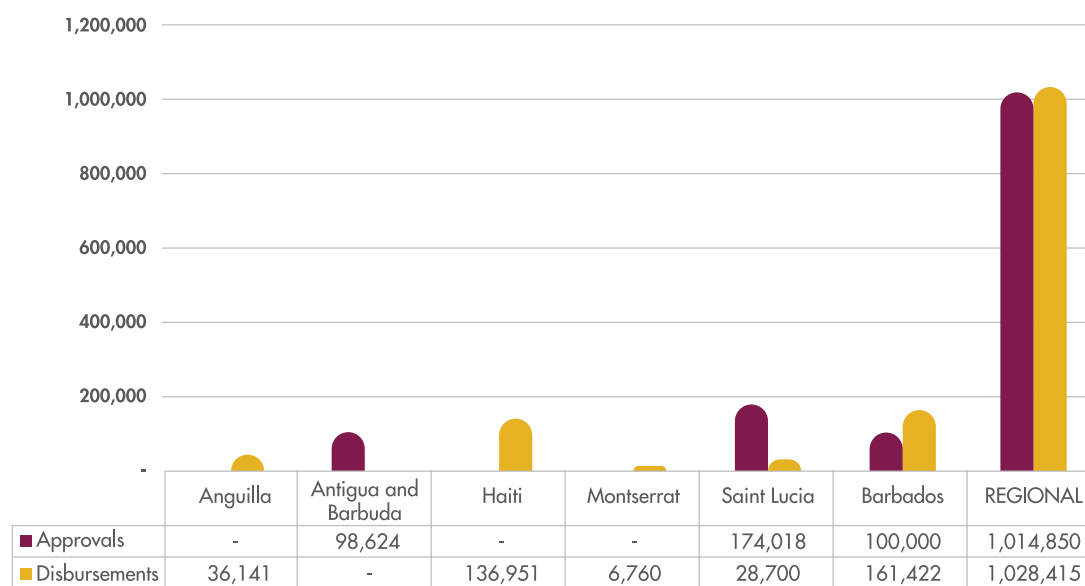
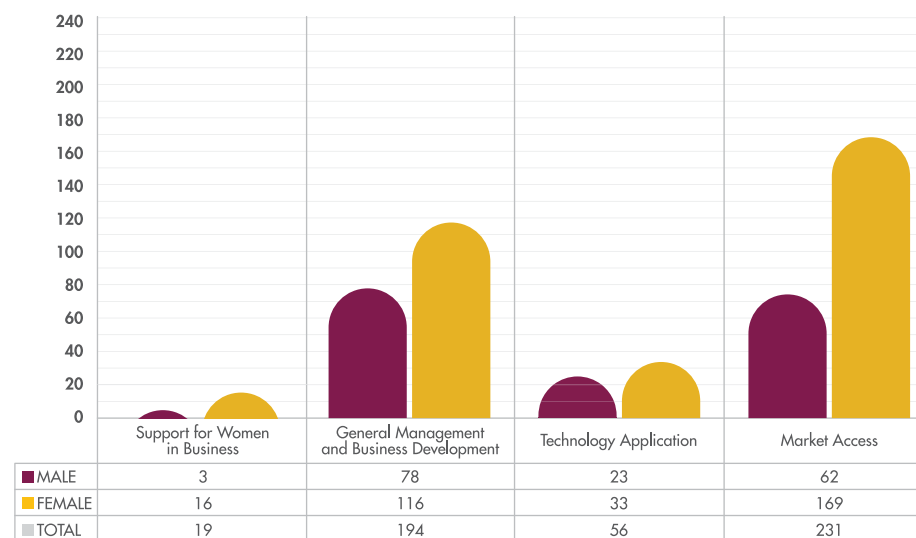


Figure 2.4: CTCS Beneficiaries in 2023 by Intervention Area



(b) **Physical Accelerator Programme** - Selection of 30 high-growth potential start-ups from the Accelerator Programme to attend Draper University's signature five-week Hero Training in Silicon Valley focused on technology development and application. This includes an opportunity for participants to present their ideas and proposed technologies to potential investors and financiers.

2.35 Under the first phase of the project, 48 entrepreneurs (19 males and 29 females) were recruited and participated in the virtual Start-up Accelerator Training Programme in 2023. Following the training, eight entrepreneurs (four males and four females) successfully completed the Hero Training Programme in Silicon Valley.

General Management and Business Development

2.36 As part of the Bank's efforts to address some of the ongoing challenges impacting the operations of MSMEs in the Region, especially in the wake of the COVID-19 pandemic, the Bank, through CTCS, commenced a regional capacity-building programme aimed at strengthening the business management, digitisation and resilience of MSMEs. As such in 2023, CTCS hosted three regional train-the-trainer workshops in the following areas:

- (a) Digital and social media marketing;
- (b) Business continuity planning; and
- (c) Financial literacy and management.

2.37 The skills of 174 (71 males and 103 females) business development officers and business development specialists from 18 BMCs were strengthened. CTCS will provide additional support

to facilitate follow-on capacity-building training and one-on-one TA in the aforementioned areas to a select number of MSMEs in their respective countries during 2024–2025.

2.38 Similarly, CTCS supported the efforts of the Anguilla Chamber of Commerce and Industry to enhance the operational capacity of MSMEs and help sustain and/or expand their operations, by supporting training and business advice in areas related to business planning, record keeping, marketing, human resource planning and customer service. A total of 20 MSMEs (7 male-owned and 13 female-owned) benefited from this intervention.

Youth Entrepreneurship

2.39 The Bank recognises the critical importance of reducing Saint Lucia's food import bill, improving food security and addressing challenges faced by vulnerable young males (15–35 years), particularly unemployment. Towards this end, the Bank approved \$74,000 through CTCS to contribute to the implementation of a project entitled "Increasing Employment Opportunities for Vulnerable Young Males in Saint Lucia Through Agri-Business - Mushroom Production".

2.40 The project, which will be implemented in collaboration with Saint Lucia's Ministry of Agriculture, aims to build the capacity of vulnerable young males to engender self-employment opportunities. It comprises training sessions (theoretical and hands-on) in agri-business and mushroom production, as well as one-on-one and group coaching and mentoring to be delivered to 50 young males. The Ministry of Agriculture, with funding from another donor, will also provide beneficiaries with seed capital to establish their mushroom production operations.

Institutional Strengthening

2.41 As part of CDB's contribution towards alleviating food insecurity in Haiti, the Bank approved a TA intervention, through CTCS, to undertake an institutional assessment of Haiti's Agricultural Development Bank - Banque Nationale de Développement Agricole (BNDA) to be followed by the development of a strategic plan. CDB's support will strengthen the managerial and operational capacity of BNDA to facilitate the design and delivery of appropriate financial products and services for MSMEs, particularly those involved in agri-business. It is anticipated that CDB's support will provide better access to finance for farmers and entrepreneurs within the agricultural sector and its entire value chain, thereby contributing to increased food production.

2.42 A CTCS project was approved to assist the management of Kensington Oval in Barbados to design and develop a digital platform to facilitate the online streaming of cultural and other entertainment events hosted at the venue. As part of the project, Kensington Oval will also partner with a cohort of at least five short film producers, which will include training and technical support, to produce short Cricket docuseries on past great West Indies cricketers to be offered on the platform. The revenue generated will be shared with docuseries producers as part of the partnership arrangements. The beneficiaries of this project include creative industry practitioners, especially women in the creative sector, including singers, musicians, artists, arts and craft vendors, photographers and videographers.

Support for Women in Business

2.43 In its thrust to strengthen women-owned businesses in the Region, in 2023, CDB officially launched the SheTrades Caribbean Hub in collaboration with the International Trade Centre (ITC). The SheTrades initiative facilitates access to TA, training, coaching, mentoring, networking, investment and export opportunities for women-owned and led MSMEs in the Bank's BMCs.

2.44 The hybrid launch event featured the signing of the CDB-ITC collaboration agreement and a regional symposium, which brought together a community of more than 50 partners from across the BMCs including women entrepreneurs, business support organisations (BSOs), financial institutions and development agencies in a consultative forum to consider opportunities and agree on solutions to some of the challenges which affect Caribbean women in trade. The event also recorded 2,162 combined online views through the Bank's LinkedIn and YouTube channels.

2.45 The in-person attendance of 17 BSOs comprising representatives from Anguilla, Barbados, Virgin Islands, Cayman Islands, Jamaica, Montserrat, Saint Lucia, Saint Vincent and the Grenadines, Suriname, The Bahamas, Trinidad and Tobago, and Turks and Caicos Islands laid the groundwork for the ongoing establishment of the SheTrades Caribbean Network, the primary mechanism through which the Hub will engage with in-country focal points and other stakeholders to support women entrepreneurs. At the end of 2023, a total of 175 women entrepreneurs had been registered with the SheTrades Caribbean Hub.

2.46 In 2023, the SheTrades Caribbean Hub also facilitated the registration of 344 women entrepreneurs from 18 CDB BMCs to participate in two online courses delivered through the ITC's SME Trade Academy platform. The courses focused on the following:

- (a) **Raising Funds for Your Business** - This provided participants with the opportunity to learn how to evaluate the financial needs of their businesses, determine the appropriate type of capital required and how to secure funds; and
- (b) **Introduction to Business Plans** - This guided participants through the importance and use of business plans and how to conceptualise and develop a plan for their own business.

Market Access

2.47 CTCS, in collaboration with the Bank's CIIF, launched a project to support Port-of-Spain Fashion Week to promote the development of non-fungible tokens (NFTs) and a virtual storefront for Caribbean designers and to bring Caribbean fashion into the Metaverse. The project also encompassed capacity building through training workshops to sensitise participating designers about NFTs, wearables and the world of Web3. A total of 20 MSME owners (10 males and 10 females) from eight CDB BMCs benefited from training and onboarding onto the platform and successfully operationalised digital fashion tokens.

2.48 In 2023, CTCS, in partnership with Nudge Caribbean, continued to provide market access

opportunities for entrepreneurs through Massy Stores in three CDB BMCs, namely Barbados, Saint Lucia, and Trinidad and Tobago. The project saw the successful execution of marketplace activations/pop-ups in the beneficiary countries, which were initiated to promote products and generate sales. This was supported by community-led decision-making to inform the selection of markets and the types of support offered, with a built-in feedback loop to inform how the project would continue to build on these partnerships. A six-weekend Market Stall activation was also launched to increase opportunities for participants.

2.49 As a result, by the end of 2023, beneficiaries of pop-ups had generated approximately \$9,000 in sales. In addition, a combined total of 29 businesses (10 male-owned and 19 female-owned) received support in product branding that are compliant or close to being compliant with requirements for retail in Massy Stores and/or any retail environment. This led to four businesses from Trinidad and Tobago being formally invited to display their products on Massy Stores' shelves.

2.50 In response to an identified need expressed by the Saint Lucia Bureau of Standards (SLBS) to support enterprises seeking to access new markets, the Bank under the CTCS programme approved \$100,000 to assist SLBS in its efforts to strengthen the capacity of eligible MSMEs in the key area of packaging and labelling. This injection will ensure local MSMEs meet the requirements of local and external markets and will undoubtedly enhance the operational capacity and competitiveness of the island's MSMEs and contribute to sustained operations and employment.

2.51 During 2023, 182 MSME owners and managers (42 males and 140 females) were provided online training in packaging, labelling and market positioning, followed by the selection of 50 businesses with export-ready or export-potential products based on established criteria. The products and existing labels of these businesses will be assessed by a specialist consultant in collaboration with relevant officials from SLBS to provide additional support by way of the design or redesign of labels.

2.52 In keeping with efforts to leverage CDB's resources to provide additional support to regional MSMEs, the Bank in 2023 committed \$240,000 towards Caribshopper's counterpart contribution of \$196,000 to establish a logistics hub in Barbados, Grenada, Guyana and Saint Lucia to facilitate exports by MSMEs through e-commerce. Caribshopper is a regional e-commerce platform that currently supports over 750 MSMEs from Jamaica and Trinidad and Tobago, by providing direct access to customers in the USA and Canada.

2.53 The project will include diagnostic assessments of each MSME seeking to onboard onto the platform. This will be followed by targeted TA to the firms to address issues highlighted and other critical matters such as development, labelling and packaging, and other technical requirements in line with international standards. The expected result is increased foreign exchange earnings by beneficiary MSMEs leading to increased sustainability of their operations. This is also expected to increase awareness and capacity of beneficiary MSMEs to access new markets and export products to the USA and Canada, by December 2024.



Haiti Programme

2.54 The Haiti Country Office (HCO), established in 2018, has provided valuable in-country support by developing relationships and becoming familiar with the Haitian context, challenges and opportunities. The Representation coordinates CDB's funding and seeks to build strategic partnerships within the country. In 2023, the HCO continued to contribute meaningfully to the transformation and sustainability of the Haitian economy and advance the country's integration into the Caribbean Community (CARICOM).

2.55 The Haitian Government's strategic priorities are in full alignment with the Bank's vision and objective of providing more resilient and inclusive development and growth in the Caribbean. CDB collaboratively and carefully prioritises the targeting of its resources to address urgent development needs, while ensuring coordination with the international community. The Bank's interventions, in the form of grants, are focused primarily on the sectors highlighted below.

Projects Under Supervision/Implementation

2.56 Despite the ongoing security challenges, the HCO played a major role in the supervision of interventions in key priority sectors, as follows:

- (a) **Education and Training** - (i) Quality enhancement in public education (QUEPE) and (ii) TVET II;
- (b) **Agriculture and Rural Development** - Community-based agriculture and rural development (CBARD) I and II;

- (c) **Sustainable Energy** - Training in geospatial mapping;

- (d) **Public Sector Capacity Improvement** - (i) Institutional strengthening of the Ecole Nationale d'Administration Financière (ENAF) and (ii) Sanitation and Governance Training Programme;

- (e) **MSME Development** - (i) ClIF and Haiti and (ii) Pilot Youth Entrepreneurship Education and Training Programme; and

- (f) **DRM & Climate Resilience** - (i) Building capacity for DRM and Climate Resilience Project and (ii) ongoing support to Haiti for its Caribbean Catastrophic Risk Insurance Facility (CCRIF) premium payments.

Education and Training

2.57 Notwithstanding the ongoing socio-political unrest and security challenges in Haiti, implementation under the QUEPE Project continued to support basic education for severely disadvantaged beneficiaries in public and non-public schools.

2.58 In the Centre Department, 41 primary schools with 14,455 students, 48% of whom were girls, continued to benefit from tuition waivers, school nutrition/health support and literacy enhancement. Notably, for 19 private schools, grants to subsidise and ensure participation were provided to 9,449 learners, 49% of whom were girls. A total of 22 public schools benefited from the following provisions.

- (a) **Grants** - School grants to ensure the participation of students were provided to 5,006 beneficiaries, 47% of whom were girls.

- (b) **Canteen Facilities** - School canteen provision was sustained, reaching 5,790 students, 47% of whom were girls.

- (c) **Text books and School Kits** - The thrust to improve literacy outcomes was supported by distributing 73,238 textbooks and 5,006 school kits to the students.



2.59 Support for secondary education continued in the West, Centre and Grand-Anse Departments, with 2,687 disadvantaged students, 60% of whom were girls, receiving tuition subsidies across 80 schools. The school canteen/nutrition programme supported 1,007 secondary students to enhance the enabling environment for male and female learners at risk.

2.60 In total, 17,142 primary and secondary students (8,531 males and 8,611 females) benefited from school grants under the QUEPE Project during 2023.

2.61 The expanded programme in basic education is expected to be sustained over the next two years, with the QUEPE II Project to be approved in 2024, providing \$12.5 mn to support learning activities, tuition support and an expanded school nutrition programme in the context of the severe current social challenges.

2.62 For the enhancement of the TVET II Project, the institutional strengthening and support for participation in meetings of the Caribbean Association of National Training Authorities (CANTA) led to the membership of Haiti's national professional training institute, "Institut National de Formation Professionnelle" (INFP), in CANTA. This achievement enables INFP to be supported by CANTA members, especially as it builds out the Competency-Based Education and Training (CBET) programmes in TVET centres across Haiti. Other benefits include training and access to Caribbean vocational qualifications (CVQ) competency and facility standards.

Agriculture and Rural Development

2.63 After a two-year delay due to administrative issues and rising insecurity in the country, the CBARD I Project was completed in September 2023. Under the project, 405 hectares of agricultural land were developed in the northwest region to improve the productivity of the land and boost farmer incomes, while about 7 km of agricultural roads were rehabilitated to facilitate the transportation of agricultural produce to marketing centres. The project also developed 804 hectares of land in catchment areas overlooking irrigated areas with anti-erosion structures; formulated eight watershed management plans and established 16 committees to manage the systems built by the project. In addition, 251 farmers (including 87 women) were trained to manage the watersheds as solidarity enterprises. The project also facilitated the production and planting of 90,000 fruit and forest trees, contributing to environmental protection and sustainability. A total of 3,347 farmers (26% females) received training in improved production techniques, including farming practices adapted to mountainous areas. As a result of the project, income from the sale of agricultural produce in irrigated perimeters and watersheds has more than doubled, benefitting 3,400 farmers in these areas. Additionally, irrigation user fees collected currently cover 75% of annual operation and maintenance costs. The success of CBARD I prompted the Bank to initiate CBARD II under SDF 10, which is scheduled for completion in 2025.

Donor Coordination and Strategic Partnerships

2.64 The HCO also continued to discharge other core elements of its mandate, which include the following:

- (a) Facilitating the CDB's participation in policy formulation and donor coordination and
- (b) Building strategic partnerships with key local stakeholders, including national authorities, non-government organisations, civil society and the private sector, as well as development partners and the international community.

Meeting of the UN Economic and Social Council Ad Hoc Advisory Group on Haiti with Caribbean Partners

2.65 In September 2023, during the 78th session of the UN General Assembly in New York, the Ad Hoc Advisory Group on Haiti of the Economic and Social Council hosted a leader-level meeting. Heads of states, governments and regional and UN partners discussed the multidimensional crises in Haiti and their profound impact on the Haitian population and the country's socio-economic development. CDB was represented at this meeting by the Bank's Haiti Country Representative.

2.66 This meeting sought to identify concrete avenues in which the international community could provide much-needed support for Haiti's stability and sustainable development. It served as an important platform to strengthen and enhance coordination efforts in addressing the challenges faced by Haiti.






Working Visit of Senior Haitian Officials to CDB Headquarters

2.67 As a result of the ongoing high levels of insecurity and armed violence, it has become increasingly difficult for CDB Headquarters staff to undertake missions to Haiti. To enhance CDB's engagement with the Haitian government, HCO invited a delegation of senior officials from relevant ministries and government agencies to visit CDB's headquarters in Barbados for a week-long mission, commencing October 30, 2023. They met CDB's senior management and discussed existing and future interventions with staff from the Projects and Economics Departments.

2.68 The discussions were focused on (a) the Bank's current programme in Haiti, including how existing projects can be implemented considering the current citizen security challenges; (b) projects under preparation/appraisal; (c) ongoing/future development financing, TA and policy support (including the Country Engagement Strategy (CES) preparation); and (d) the enhanced operations of the HCO.

2.69 The deliberations were productive and contributed significantly to the preparation of Haiti's new CES (2023–25), which was approved by the Board in December 2023. The working visit also facilitated conclusive discussions on the design of imminent projects in the key priority sectors.



A group of children are running along a dirt path in front of a building with a corrugated metal roof. The scene is set in a tropical environment with palm trees visible in the background. The children are dressed in casual clothing, and the overall atmosphere is one of joy and movement. A large blue semi-transparent banner is overlaid on the right side of the image, containing the text '3 RESULTS PROGRESS' in white.

3 RESULTS PROGRESS

3. RESULTS PROGRESS

3.01 Monitoring and evaluation of SDF 10 utilises an RMF drawn from the Bank's broader corporate RMF. The SDF 10 RMF sets targets for beneficiary countries to meet by the end of the cycle based on the indicators that are most relevant to its strategic operational themes and tracks results at three levels:

- (a) **Level 1** - the Caribbean's progress towards SDGs and regional development outcomes;
- (b) **Level 2** - the CDB's contribution to development outcomes; and
- (c) **Level 3** - the CDB's operational effectiveness.



LEVEL 1 PROGRESS TOWARDS SDGS AND REGIONAL DEVELOPMENT OUTCOMES

3.02 Following the pandemic, many BMCs have experienced improved performances and some are back to or close to pre-pandemic levels. However, significant challenges remain related to poverty and inequality as well as some aspects of education and building environmental resilience. The confluence of pre-existing structural weaknesses alongside the setback of the pandemic has reduced the prospect of the Region attaining the SDGs by 2030.

BUILDING SOCIAL RESILIENCE AND LEAVING NO ONE BEHIND

Poverty and Inequality

3.03 The defining principle of "leaving no one behind", as embedded in the first SDG aimed at ending poverty, remains challenging. The 2023/24 UN report on progress towards the SDGs for Latin America and the Caribbean indicates that, while there has been some progress towards the reduction of extreme poverty, the proportion of the population

living below national poverty lines is trending in the wrong direction for the overall achievement of SDG 1—No Poverty. Poverty and inequality persist, with gaps widening, especially among developing countries who, unlike developed countries, have not had the wherewithal to rebound as quickly coming out of the pandemic. According to the World Bank Global Poverty Monitoring Technical Note published in September 2023, using data updated to cover pandemic years, poverty in Latin America and the Caribbean was estimated at 10.6% of the population, up from 10.2% at the start of the pandemic in 2020.

3.04 Tables 3.1 – 3.4 provide some information on the SDF beneficiary BMCs. While regional-level data have been refreshed, there is still a need for more updated poverty data at the country level. The multi-dimensional poverty index (MPI) detailed in the Human Development Report (HDR) published in March 2024 includes estimates for six SDF beneficiary countries, namely Belize, Guyana, Haiti, Jamaica, Saint Lucia and Suriname. The average headcount was 9.2% (2.7% excluding Haiti). In four of the SDF countries covered, the standard of living contributed the most to poverty out of the three dimensions measured in the MPI, while health was the main driver in Jamaica and Saint Lucia.

Table 3.1: RMF Level 1 - Building Social Resilience (Poverty & Inequality)



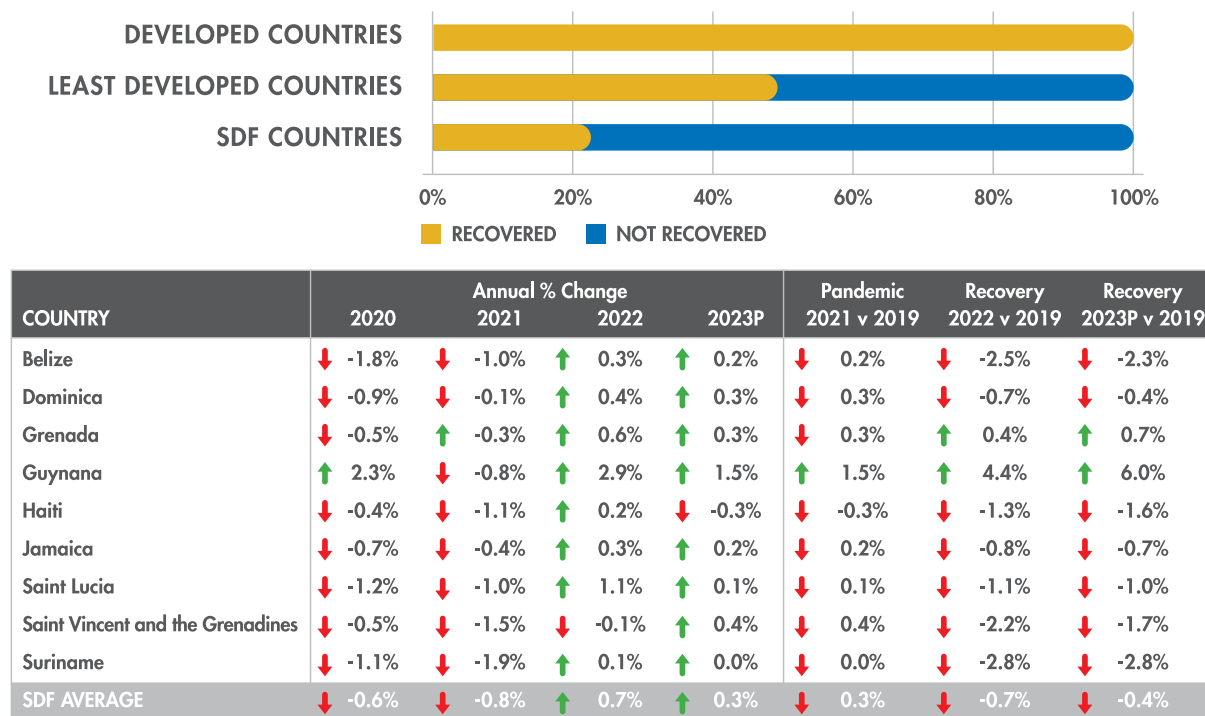
Grouping/Indicator	BMCs			Actual 2022/23	Related SDG
	Baseline		Target		
	Year	Value	2024		
Grant Commitments:					
1. MPI (Headcount [%]) - Haiti	na 2016	- 41.3	- -	2.74 41.3	
2. Adjusted Headcount Index - Haiti	30.0 2006–2019	30.0 58.5	30.0 -	n.s.	
3. Human Development Index (HDI) - Haiti	0.7 2019	0.7 0.5	0.7 -	0.726 0.552	
4. Inequality Adjusted HDI - Haiti	0.533 2019	0.533 0.327	- -	0.486 0.335	

Figure 3.1: HDI Recovery Post-Pandemic: SDF Countries and Comparators



3.05 During the pandemic years, 2020 and 2021, the UN Human Development Index (HDI) scores reflected a decline for up to 90% of the 191 countries indexed. CDB's SDF countries also experienced declines, although most remained in the high-to-medium-high HDI category. Since then, the 2023/24 Human Development Report indicates positive movements in the indices for most SDF countries in 2022, resulting in the improved HDI scores shown in Table 3.1. However, only two SDF countries, namely Grenada and Guyana, are thought to have achieved or surpassed pre-pandemic levels in their HDI scores by 2023, as highlighted in Figure 3.1 below.

3.06 Although HDI scores are generally improving, there remain distinct and, in some cases, widening gaps between and within countries according to the 2023/24 HDR, with disparities in human development on the uptick since 2020. Information identifying inequality for SDF beneficiary countries through loss to the HDI is even more sparse this time around as compared to previous years, with data only available for three countries—Haiti, Jamaica and Saint Lucia. For Saint Lucia, inequality increased significantly, with loss to HDI when adjusted for inequality increasing from 21.7% to 25.7%, while the level of loss for Haiti remained around the same level at 39.3%. The loss to HDI for Jamaica was recorded at 17.3%. Across the three areas that compose the index, the biggest losses in these countries occurred due to income inequality, followed by inequality in life expectancy, then education inequality, with the latter likely reflecting learning losses from pandemic school closures.

HDI data to 2022 and 2023 projections for comparators from the Human Development Report published in March 2024. CDB's 2023 projections for SDF countries are based on data from the World Economic Outlook published in April 2024.

Social Protection

3.07 Investment in social protection as a proportion of income declined somewhat in 2023 compared to the pandemic years. This is attributed to SDF beneficiary countries returning to a more stable growth trajectory and beginning to phase out supplementary social protection measures employed at the height of the pandemic. Nevertheless, social protection remained an essential element of efforts to reduce inequality in the Region. Using the measure of expenditure on social protection as a percentage of gross domestic product (GDP) (considering social assistance only, as outlined in country estimates), Guyana and Suriname registered the highest ratios, while Belize and Saint Lucia registered the lowest ratios.

A few SDF countries, such as Saint Vincent and the Grenadines, also began placing greater focus on empowering beneficiaries of social assistance programmes through skills enhancement, livelihood development, improved targeting and digitalisation as key accompaniments to traditional cash transfer programmes. As shown in Table 3.2, the average ratio for SDF countries fell below the pre-pandemic benchmark in 2023, reversing the progress previously made towards achieving the 2024 target. This reduction in the ratio was driven in part by significant growth in nominal GDP inflating the denominator. However, it signals the need for SDF beneficiary countries to

re-examine their level of investment in social protection if they are to meet the 2024 target and, beyond that, reduce inequality enough to achieve SDG 10.

Income Growth

3.08 The extraordinary social protection spending of the past few years has helped to cushion the socioeconomic impact of the pandemic and the Russian invasion of Ukraine among other recent shocks and positioned most SDF countries on the path

to recovery. Table 3.2 indicates that the growth rate in real GDP per capita, measured in 2017 purchasing power parity (PPP) dollars, among SDF beneficiary countries averaged 11.3% in 2023. Haiti was again the exception, as economic conditions worsened in tandem with the security situation. With the ongoing revival of tourism industries and the continuing expansion of Guyana's booming energy sector, most countries have since regained, and in some cases surpassed, their pre-pandemic GDP per capita levels, see Figure 3.2 below.

Table 3.2: RMF Level 1 - Building Social Resilience (Social Protection & Income Growth)



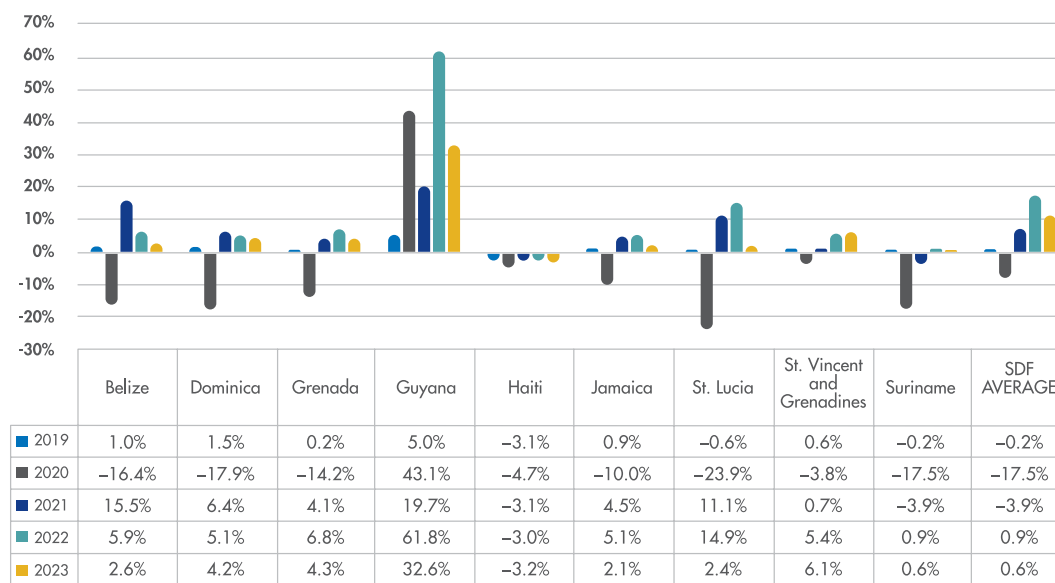



Grouping/Indicator	BMCs			Actual 2023	Related SDG
	Baseline		Target		
	Year	Value	2024		
Building Social Resilience and Leaving No One Behind					
5. Social protection expenditure as a percentage of GDP		2.4	3.5	2.1	
- Haiti	2016–2019	TBD	TBD	0.4	
6. GDP per capita growth rate (%)		1.7	>1.7	11.3	
- Haiti	2019	–1.5	>–1.5	–3.2	

Figure 3.2: Growth (%) in Real GDP Per Capita in SDF Countries 2019–2023

Source: GDP per capita in 2017 PPP\$ data from the International Monetary Fund's World Economic Outlook, April 2024.

Table 3.3: Growth (%) In Real GDP Per Capita in SDF Countries 2019–2023

Grouping/Indicator	BMCs			Actual 2023	Related SDG
	Baseline		Target		
	Year	Value	2024		
Building Social Resilience and Leaving No One Behind					
7. Secondary school graduates achieving five Caribbean Examination Council general proficiency or equivalent in national assessment passes or more, including Mathematics and English (%)					
- Female		38.7	65.0	35.3	
- Male	2018	31.8	65.0	33.4	
- Haiti				n.s.	
8. Students completing at least one Level 1 course in TVET (%)					
- Female		45.9	100	80.8	
- Male	2018	59.8	100	55.0	
- Haiti		n.s.	n.s.	n.s.	

Education and Training

3.09 Key indicators of educational quality and relevance regained some ground in 2023 relative to the 2019 baseline, following major slippage during the pandemic.

3.10 Indeed, in 2022 the overall performance of secondary students on the Caribbean Secondary Education Certificate (CSEC) examinations, as measured by the percentage of students with at least five passes including English and Mathematics, had fallen significantly below baseline levels to 23.5% for females and 19.3% for males, on account of lost instruction time during the pandemic. As seen in Table 3.3, the indicators rose around 12 and 14 percentage points respectively in 2023, placing them both back in the baseline range but still well shy of meeting the 2024 targets, which would require almost doubling in the space of just a year.

3.11 Meanwhile, building on the progress made in 2022 in the area of TVET, the proportion of female students completing at least one Level 1 TVET course in 2023 improved significantly relative to the 2018 baseline (see Table 3.3), coming within striking distance of the target. Conversely, the situation for male students deteriorated considerably, moving away from the target and falling below the baseline.

Employment

3.12 Notwithstanding the pandemic-related learning loss, as well as longstanding skills mismatches and persistent gender disparities identified in the education sector, Table 3.4 indicates that in 2023, average female and male unemployment rates for both the youth and overall populations were below baseline values consistent with the desired movement in the indicator.

Table 3.4: RMF Level 1 - Building Social Resilience (Employment)

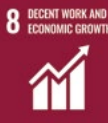

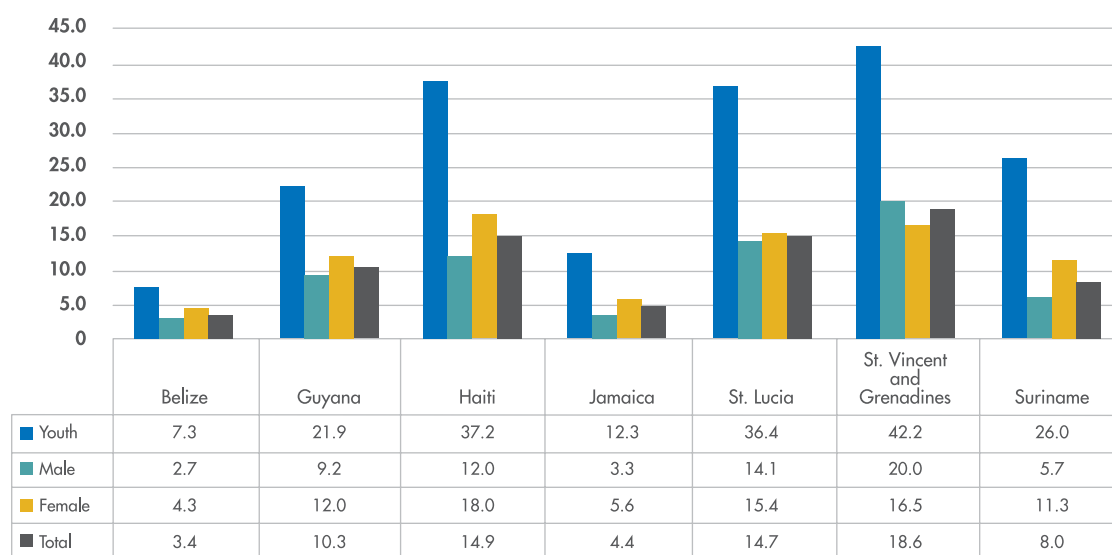
Grouping/Indicator	BMCs			Actual 2023	Related SDG
	Baseline		Target		
	Year	Value	2024		
Building Social Resilience and Leaving No One Behind					
9. National unemployment rate (%)					
- Female	2019	16.3	TBD	11.6	
- Male		12.9	TBD	8.2	
- Haiti		13.9	TBD	n.s.	
10. Youth unemployment rate (%)					
- Female	2017	45.9	Reduction	13.1	
- Male		59.8	Reduction	11.5	
- Haiti		n.s.		n.s.	
11. Youth employment to population ratio (%)					
- Female	2019	21.2	Reduction		
- Male		38.6	Reduction		
- Haiti		23.3			

Figure 3.3: Unemployment Rates for SDF Beneficiary Countries (%)



3.13 However, the data also highlight the persistent disparities between male and female unemployment rates and between the youth and overall unemployment rates, which are further underscored in Figure 3.3. Notably, excluding Haiti, Saint Lucia and Saint Vincent and the Grenadines registered the highest levels of female unemployment, with rates of 15.4% and 16.5%, respectively. Unemployment rates among males were highest in the same countries, at 14.1% and 20.0%, respectively. These disparities continue to adversely affect the lives and livelihoods of individuals, families and communities including women, children, semi-skilled workers as well as owners of MSMEs.

3.14 The Region is not alone in this regard. The 2024 world employment and social outlook indicated that while the situation of the working poor and those in the informal sector was returning to pre-pandemic conditions, there has been very little positive change, as productivity and living standards, in general, have not improved as projected. Projections were partly predicated on technological progress. However, the expected boost has not materialised, and the concern is that the rollout of technology could increase rather than alleviate disparities. In addition, disposable income has been seriously undercut in many countries due to inflationary factors, which also have adverse implications for the ability of vulnerable persons to meet their needs. There is also continued dissonance between the outcomes of the educational systems and the needs of the labour market. These conditions curtail the ability of people, especially the most vulnerable, to establish a platform for a better future characterised by more and better jobs, good pay, reduced inequalities, better working conditions and a resilient society, amid sustained development efforts.

BUILDING ECONOMIC RESILIENCE FOR INCLUSIVE GROWTH

3.15 Sustaining inclusive economic growth and employment requires well-developed markets with a competitive private sector trading in high-value-added products. However, Table 3.5 below indicates that intra-regional trade accounted for 11% of total regional trade in 2023, a marginal decline from the baseline value of 12%, but substantially lower than the 14% reported in 2020. Indeed, while trade integration within the Region is ongoing, it is not at the level reported in other areas/regions. Trade partners of BMCs are mainly North America and Europe, including the United Kingdom. In addition, most of the Caribbean's exports are made up of natural resource-based manufacturing products and medium-low technology manufacturing products. High-value-added technology manufactured products account for only a small share of total exports.

3.16 Some of the barriers to enhanced intra- and extra-regional trade facing the Region include limited diversification and economies of scale, inadequate intra-regional logistics, complex customs procedures and lengthy internal certification processes, all of which translate into high production and transportation costs.

BUILDING ENVIRONMENTAL RESILIENCE

3.17 A key component of the high transportation and production costs hampering trade, and economic performance generally, is the Caribbean's dependence on imported fossil fuels. The economic rationale for pursuing RE alternatives and options to boost EE, ensure energy security and insulate from international market price fluctuations is therefore clear, even beyond the core environmental rationale of reducing the Region's carbon footprint. However, despite the recognition of BMCs about the importance of rapidly transitioning

their energy sectors to realise SDG 7—that is, to ensure access to affordable, reliable, sustainable and modern energy for all—progress remains relatively slow. Between 2020 and 2022, the collective share of RE generating capacity of the total electricity generation capacity of BMCs has effectively remained unchanged at an average of approximately 12%. Based on the current trajectory, the regional and most country-specific RE targets will very likely be missed by wide margins.

3.18 The 2023 outturn for indicators related to SDG 13—taking urgent action to combat CC and its impacts—was more encouraging. Table 3.6 indicates that greenhouse gas emissions per capita among SDF countries remained below baseline and target levels, except in Haiti. In general, regional economies are not large emitters, accounting for a negligible proportion of global emissions, and all remain committed to their 2030 Paris Agreement obligations and nationally determined contributions.

3.19 In 2023, indicator number 16 in Table 3.6, economic losses from natural disasters and climate variability, continued to shrink towards the 2024 target and move significantly below the baseline value for the 2017–19 period that had been marked by devastating losses from Hurricanes Irma and Maria. The indicator for Haiti was much higher than both the baseline and the target due to flooding followed by earthquakes in mid-2023. Nevertheless, the economic impact of these events was partially mitigated by climate risk insurance through the CCRIF, which continued to play a key role in Haiti and the rest of the Region by supporting DRR and CC resilience.

Table 3.5: RMF Level 1 - Building Economic Resilience

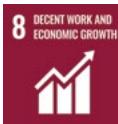


Grouping/Indicator	BMCs			Actual 2023	Related SDG
	Baseline		Target		
	Year	Value	2024		
Building Economic Resilience for Inclusive Growth					
12. Intra-regional trade as a percentage of total regional trade (%)		14.0	18.0	11.0	
- Haiti	2018	n.a.	n.a.	n.a.	
13. Doing business average Distance to Frontier score (out of 100)		55.8	74.0		
- Haiti	2019	40.7	TBD		

Table 3.6: RMF Level 1 - Building Environmental Resilience


Grouping/Indicator	BMCs			Actual 2023	Related SDG
	Baseline		Target		
	Year	Value	2024		
Building Environmental Resilience					
14. RE as a % of total energy mix produced		20.0	30.0	-	
- Haiti	2018	19.0	30.0		
15. Greenhouse gas emissions per capita (metric tons per capita)		3.6	3.9	3.2	
- Haiti	2019	0.81	0.64	1.2	
15. Reported economic losses resulting from natural disasters and climate variability (% of GDP, 3-year average)		8.6	<1.5	2.5	
- Haiti	2017– 2019	0		10.5	

GOOD GOVERNANCE

3.20 Good governance is central to the achievement of the Region's development objectives and the global SDGs (16). This includes building public institutions that deliver services effectively, efficiently

and equitably. As Table 3.7 indicates, the average of the World Bank's governance index for SDF Group 2 countries continued to increase from the baseline to exceed the 2024 target. Conversely, the index for Haiti worsened (from –1.37 in 2022), which was unsurprising considering the growing political instability and violence there.

Table 3.7: RMF Level 1 - Cross-Cutting Theme (Good Governance)

Grouping/Indicator	BMCs			Actual 2023	Related SDG
	Baseline		Target		
	Year	Value	2024		
Building Environmental Resilience					
17. Governance Index (–2.5 to 2.5) ²		0.12	0.14	0.25	
- Haiti	2019	–1.18	>–1.18	–1.5	

²The governance index ranges 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 and control of corruption.



LEVEL 2

CDB'S CONTRIBUTION TO DEVELOPMENT OUTCOMES

3.21 Indicators at Level 2 measure the Bank's contribution to SDGs, and country and regional development outcomes through outputs delivered in key operational areas that map to the SDF 10 strategic operational themes. These are education and training, agriculture and rural development, water and sanitation, economic infrastructure, private sector development, energy security, DRR and CC resilience, the cross-cutting areas of governance and accountability and RCI.

3.22 After a modest start to the SDF 10 cycle in 2021, the Bank turned in increasingly positive performances in 2022 and 2023 such that it was on track to achieve most of the targets in several areas (e.g. water, education and economic infrastructure) and some instances had already exceeded targets (e.g. agriculture). Initiatives in the areas of governance and accountability and RCI produced mixed results, while progress did not meet expectations in the areas of citizen security and DRR and CC resilience.




BUILDING SOCIAL RESILIENCE AND LEAVING NO ONE BEHIND

Education and Training

3.23 Regional governments continue to place great emphasis on SDG 4, which aims to ensure inclusive, equitable and quality education and promote lifelong learning opportunities for all. Table 3.8 tracks CDB's contribution in this regard and reveals a creditable performance in 2023. Progress on infrastructural facilities showed a marked upturn in 2023 and 2022 when compared with 2021, as the Region emerged from the grips of the pandemic.

3.24 However, the most notable gains were related to teachers and principals trained or certified. Results achieved in this area demonstrate the Bank's responsiveness to learning loss occasioned by the pandemic. The Learning Recovery and Enhancement Programme (Let's REAP) launched by the Bank in 2022 provides the Ministries of Education, principals and teachers with a guide to addressing these gaps and improving education outcomes. Importantly, the programme will also respond to other long-standing issues, such as disruptions caused by the onset of natural hazards (e.g. hurricanes and floods) and by doing so build resilience in the education system. In 2023, the programme trained around 1,000 stakeholders in education, including ministries, principals and teachers, contributing to the more than 42,000 students benefitting from improved physical classroom conditions, enhanced teacher competence, and/or access to loan financing.

Table 3.8: RMF Level 2 - Building Social Resilience (Education & Training)

Grouping/Indicator	Projected 2021–2024				Related SDG
	Actual 2023	Progress 2021–2023	Regional, Groups 2&3	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 to minimum standards (number), of which:					
- Basic	274	730	1,634	281	
- Post-secondary and tertiary	266	710	1,362	281	
- Haiti	8	20	272	-	
	n.s.	120	520	-	
2. Teachers and principals trained or certified (number), of whom:					
- Female	972		10,302	120	
- Haiti			7,187	50	
	n.s.		3,060	n.s.	
3(a). Students benefitting from improved physical classroom conditions, enhanced teacher competence or access to loan financing (number), of whom:					
- Female	42,871	111,267	182,559	20,502	
- Haiti	17,142	52,042	90,605	1,509	
	-	34,024	74,670	n.s.	
3(b). Beneficiaries of skills training activities under the BNTF (number), of whom:					
- Female	2,567	8,340	2,570	2,570	
	1,300	4,167	1,509	1,509	

Agriculture and Rural Development

3.25 Food and nutrition security came to the fore during the pandemic amid border closures and global supply chain issues. This is a critical aspect of regional development and is consistent with the Bank's agriculture sector policy and strategy, which seeks to guide and contribute to the transformation of the BMC agri-food system by making it more competitive, inclusive and sustainable.

3.26 The Bank's work under this rubric was exemplified by its interventions in Haiti. The CBARD Project seeks to improve the productivity of agricultural land in the northwest region and increase farmers'

incomes. Comprising road rehabilitation to facilitate transport to marketing centres, training of farmers, the implementation of anti-erosion structures, development of watershed management plans and improved governance through the establishment of committees to manage the systems, the project has delivered impressive results to the beneficiaries. An estimated 3,347 farmers were also trained in improved agricultural practices. It is reckoned that as a result of the project, income from the sale of agricultural produce in irrigated areas and watersheds has more than doubled. The success of CBARD has resulted in the development of CBARD II, approved under SDF 10 and is expected to deliver results under SDF 11.

Table 3.9: RMF Level 2 - Building Social Resilience (Agriculture & Rural Development)







Grouping/Indicator	Projected 2021–2024			Related SDG	
	Actual 2023	Progress 2021–2023	Regional, Groups 2&3		
Agriculture and Rural Development- Promoting Sustainable Agriculture and Rural Development					
4. Agriculture: Stakeholders trained in improved production technology (number)	3,694	9,331	6,000	-	
- Females	1,044	4,165	3,268	-	
- Haiti	3,347	6,090	2,993	-	
5. Land improved through irrigation, drainage and/or flood management (hectares)	190	485	1,000	-	
- Haiti	190	485	900	-	
6. Beneficiaries of improved agriculture, land management and land conservation climate-smart agricultural practices (number)	6,337	14,180	8,500	-	
- Females	n.s.	n.s.	1,837	-	
- Haiti	6,337	10,243	480	-	

Table 3.10: RMF Level 2 - Building Social Resilience (Water & Sanitation)

Grouping/Indicator	Actual 2023	Progress 2021–2023	Projected 2021–2024		Related SDG
			Regional, Groups 2&3	BNTF	
Agriculture and Rural Development- Promoting Sustainable Agriculture and Rural Development					
7. Water: Installed water capacity (cubic metres/day)	9,018	19,997	23,649	2,049	
- Urban	8,640	8,640	-	-	
- Rural	378	11,357	21,600	2,049	
8. Water: Supply lines installed or upgraded (length of network in km)	0.5	39.2	103.3	63	
- Urban	0	4.7	15	-	
- Rural	0.5	34.5	88.3	63	
9. Water: Households with access to improved sanitation and water supply (number)	4,493	61,282	62,467	4,767	
- Urban	4,000	57,500	46,600	-	
- Rural	493	3,782	15,867	4,767	
- Female (disaggregated by sex/head of household)	n.s.	n.s.	354	25	

Water and Sanitation

3.27 The provision of safe and resilient water and sanitation is a necessary condition for a healthy population, as well as increasing economic activity. The importance of water and sanitation in development highlighted in SDG 6 ensures the availability and sustainability management of water and sanitation for all. This goal is given tremendous priority by regional governments, as water-related ecosystems such as rivers, lakes, aquifers, forests and mountains play a cross-cutting role in attaining all the other SDGs and are vital for key industries such as tourism and agriculture.

3.28 Significant progress was made in improving water and sanitation after a relatively slow start on account of the pandemic. Perhaps the most noteworthy achievement concerning infrastructure installed was made in Saint Lucia, where the Vieux Fort water supply development programme resulted in improved quality and access for those in the area and surrounding communities in the southern part of the island. In Guyana, under the BNTF programme, 50 representatives from 15 villages in the hinterland underwent training in areas related to water systems maintenance and management. This is expected to result in improved water, sanitation and hygiene practices. In Suriname, the Bank is advancing a study aimed at rehabilitating water supply and the associated investment project, which once completed should result in increased water capacity in two urban centres.

Citizen Security

3.29 Building social capital is a key factor in reducing social vulnerability, improving life chances and enhancing the overall quality of life of targeted individuals and communities. Strengthening BMCs' capacity to ensure the security and well-being of citizens is a key aspect of strengthening social capital. In 2023, much of the Bank's work in this space comprised the Jamaica Rejuvenating Communities Project and the Saint Lucia Citizen Security Project, which aim to improve social cohesion at the community level to support violence prevention.

3.30 Social protection and inclusion are a core aspect of the Bank's work in citizen security and are critical in ensuring that no one is left behind on the development path. In 2023, through the BNTF programme, Suriname, Saint Lucia, Guyana and Jamaica facilitated youth employment and empowerment through the provision of technical and vocational skills training and a suite of wrap-around services to enhance the participation of the most vulnerable (e.g. young persons, people with disabilities and persons in the informal sector).

3.31 Consistent with this thrust towards social protection and inclusion, the Bank's efforts to reduce gender-based violence and promote gender equity were evident across SDF beneficiary countries. Interventions included the following:

- (a) Capacity development of community liaison officers of the BNTF implementing agencies in terms of gender;
- (b) Community and school outreach activities of contractors of the Saint Vincent and the Grenadines




Port Project to sensitise women and girls on employment opportunities in the construction sector;

- (c) Training and sensitisation of management and workers on gender-based violence on infrastructure projects, for example, the Linden to Mabura Hills Guyana Project and the Saint Vincent and the Grenadines Port Project;

(d) Gender sensitisation training for early childhood educators in the framework of the BNTF in Grenada; and

- (e) CDB financing of participants in the Caribbean Institute in Gender and Development Studies training programme.

Table 3.11: RMF Level 2 - Building Social Resilience (Citizen Security, Community Development & Participation)

Grouping/Indicator	Actual 2023	Progress 2021–2023	Projected 2021–2024 Regional, Groups 2&3	BNTF	Related SDG
Citizen Security					
NEW INDICATOR					
Persons benefitting from social protection initiatives (number)	10,289	17,732	2,650	-	
- Females	6,230	10,715			
NEW INDICATOR					
Direct beneficiaries of gender/GBV/social inclusion initiatives	949	949	TBD	-	
- Females	590	590	TBD	-	
10. Beneficiaries of community-based citizen security interventions (number)	20	51	2,850	-	
- Females	12	30	1,450	-	
11. Beneficiaries of youth at-risk interventions (number)	449	810	2,550	-	
- Females	251	394	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)	331	3,474	8,794	5,842	
- Female beneficiaries	150	1,694	3,998	3,935	



Community Development and Participation

3.32 Community development and participation have been at the core of the Bank's development work, especially under its banner programme, BNTF.

3.33 In 2023, BNTF initiatives centred on the provision of safe and resilient community road infrastructure, enhancing access to vital services, facilitating access to clean water via the construction of water storage facilities, and upgrading educational facilities.

3.34 Notably, in collaboration with CDEMA, the Bank held workshops on proposal writing in Jamaica and Guyana aimed at enhancing the capacity of community leaders and community development professionals to access resources from development partners. To date, 94 persons have completed the training and four project proposals have been able to secure funding amounting to more than \$230,000.












BUILDING ECONOMIC RESILIENCE

Economic Infrastructure

3.35 Quality, reliable, safe, sustainable and resilient infrastructure is essential for dynamic and internationally competitive economies. The Bank made good progress under this rubric during the year, with a further 53 km of road built, benefitting more than 56,000 persons.

3.36 Perhaps the most notable intervention in this regard was the Belize Coastal Highway Upgrading Project. Before the project, residents in La Democracia, Dangriga and other communities had to endure long travel times to reach destinations in the north. Additionally, the pre-existing road was unpaved and was difficult even for four-wheel-drive vehicles. The new highway has reduced travel time by an hour, catalysed the development of new bus routes and facilitated increased trade for business owners. The highway benefits more than 49,000 users, including 4,000 residents in southern communities.

Table 3.12: RMF Level 2 - Building Economic Resilience

Grouping/Indicator	Actual 2023	Progress 2021–2023	Projected 2021–2024 Regional, Groups 2&3	BNTF	Related SDG
Building Economic Resilience for Inclusive Growth					
Economic Infrastructure - Increasing the provision of quality, reliable, safe, sustainable and resilient infrastructure					
13. Sea defences, landslip protection and urban drainage (km)	1.3	3.5	3.7	-	 
14. Transport: Primary, secondary and other roads built or upgraded (km)	53.2	134.4	184	15	
15. Beneficiaries (direct) of resilient and gender-responsive infrastructure construction or enhancements (number)	56,594	318,833	415,368	13, 268	 
- Females	28,315	159,586	201,500	6,824	
					
Private Sector Operations and MSMEs – Promoting Private Sector Operations and MSMEs					
16. Value of credit made available to the private sector (\$ mn) (disaggregated by sector)	10.2	13.4	21.6	-	 
17. MSMEs benefitting from credit (number)	284	394	1,166	-	
- Female-owned	98	123	237	-	
18. Beneficiaries of mortgage programmes (number)	0	45	60	-	
- Female borrowers	0	23	40	-	
19 (a). Beneficiaries of TA interventions targeted at MSMEs (number)	332	2,069	3,300	-	
- Female beneficiaries	225	1,214	1,650	-	
(b) Beneficiaries from CTCS interventions	500	2,704	2,800	-	
- Female beneficiaries	328	1,761	1,400	-	
(c) Beneficiaries of CIIF interventions	0	304	500	-	
- Females	0	171	250	-	
Improving Private Sector Development and Competitiveness					
20. No. of institutional reforms towards enhanced business climate and competitiveness of MSMEs - Compete Caribbean	5	15	4	-	 
21. BMCs with increased capacity to undertake PPP arrangements (number)	-	-	3	-	
					

Private Sector Development

3.37 The Bank remains committed to the development of a vibrant private sector and has sought to do so by on-lending to financial intermediaries and by improving the environment for doing business. The private sector strategy approved in 2023 aims to promote the development of the sector's ecosystem by focusing on the following three sector priorities: (a) improving the enabling environment; (b) promoting access to finance; and (c) promoting enterprise development. These three priorities in turn are supported by activities in four focus areas: (a) legal and regulatory reforms; (b) new financial instruments; (c) direct firm lending; and (d) capacity-building for business support organisations, MSMEs and financial institutions.

3.38 While the Bank was able to show results concerning the value of credit made to the private sector, the main improvements in this area were in enhancing the operational capacity of MSMEs, either directly through TA or through the CTCS programme. During the year, CTCS supported approximately 500 persons, with the majority of interventions in two areas: general management and business development, and improving market access.

3.39 There were no new beneficiaries of CIIF interventions for 2023 due to the winding down of the first programme. In June 2023, the Board of Directors approved an additional contribution to CIIF to continue its operations. The independent final evaluation of the pilot programme revealed that the CIIF model was "strong, demonstrated potential

return on investment in the creative industries and laid a foundation for future, longer-term impacts to lives and livelihoods in the Region". The CIIF team was re-engaged in September 2023, and during the last quarter of the year, focussed on re-operationalising the Fund, including finalising the work programme, fostering strategic partnerships and resource mobilisation activities. CIIF will continue to target five priority sub-sectors including fashion and contemporary design, visual arts, audio-visual (film, animation gaming), music, festivals and carnivals.

3.40 Compete Caribbean continued to be an integral part of the Bank's thrust to drive business reform in the Region. In 2023, efforts focussed on the following:

- (a) Strengthening the intellectual property ecosystem to increase innovation, competitiveness and growth in Jamaica.
- (b) Improving climate resiliency in Dominica through foreign direct investment.
- (c) Establishment of a credit bureau in the Eastern Caribbean Currency Union.
- (d) Improving the business and innovation climate and capacity to attract investment in OECS member countries.
- (e) Establishment of the Trinidad and Tobago Accreditation Service for Conformity Assessment.
- (f) Promoting the blue economy for sustainable economic recovery in Tobago.






BUILDING ENVIRONMENTAL RESILIENCE

Energy, DRR and CC Resilience

3.41 The Bank recognises that the climate emergency is real and needs to be addressed urgently through adaptation and mitigation efforts. While the Bank's performance in this space as measured by the RMF has been less than stellar, the institution has committed to concrete actions that will increase its support to BMCs in both the energy security space, as well as in increasing the resilience and adaptive capacity of national and local institutions and communities to disaster risk and CC impacts.

3.42 Concerning sustainable energy, the Accelerated Sustainable Energy and Resilience Transition (ASERT) 2030 framework addresses the level of urgency that must be brought to bear if the Region is to meaningfully advance its energy security objectives. In seeking to increase the scale and pace of the energy transition, the Bank will work to strengthen governance in the electricity sector; improve the resilience of electricity grids and scaling of RE; promote the just energy transition targeting low-income, remote and rural households; and promote sustainable energy in the public sector.

Table 3.13: RMF Level 2 - Building Environmental Resilience

Grouping/Indicator	Actual 2023	Progress 2021–2023	Projected 2021–2024 Regional, Groups 2&3	BNTF	Related SDG
Building Environmental Resilience					
Energy - Increasing Access to Reliable, Affordable and Modern Energy (Energy Security)					
22. Energy: Conventional or renewable power generation capacity installed (MW)	-	2.3	4.1	0.1	
- Renewable (MW)	-	2.3	4.0	-	
23. Greenhouse gas emissions reduction (t CO2 equivalent/year)	2,607	5,214	26,000	-	
24. Energy savings as a result of EE and RE interventions (GWh)	3.7	7.3	36.3	0.3	
25. Transmission or distribution lines installed or upgraded (length in km)	6.0	14.3	30	-	
Increasing Resilience and Adaptive Capacity of National and Local Institutions and Communities to Disaster Risk and CC Impacts					
26. No. of BMCs with strengthened resilience and gender-responsive adaptive capacity to climate-related hazards (including DRR strategies)	-	1	4	-	
27. Additional communities with improved capacity to address CC and DRM (number) ³	-	-	4	-	
- Female beneficiaries					

3.43 On the issue of increasing the capacity of institutions to address DRM and CC impacts, the Bank recognises that a greater deal of hand-holding is required to advance uptake by client countries. To this end, the mid-term review of SDF 10 provided an opportunity for the Bank to course-correct and adjust the environmental resilience set aside to provide greater support through, inter alia, consultancies to identify priority actions, awareness building and support for initiatives under the Disaster Management Strategy and Operational Guidelines (DiMSOG) that would also constitute proactive intervention. Examples of the latter would include analytical assessments for

national and sectoral DRM, systemic identification of natural hazards and vulnerable populations and the dissemination of credible DRR/CC knowledge products to inform community resilience.

CROSS-CUTTING THEMES – GOVERNANCE & ACCOUNTABILITY AND RCI

Governance & Accountability

3.44 Good governance is essential to the attainment of the Region's growth and development objectives and SDGs.

3.45 In 2023, the Bank managed to advance work reflected in all the indicators. Most notable, however, was TA to Grenada, where the Bank provided resources to aid in monitoring and evaluation of the public sector investment programme.

3.46 Strengthening procurement practices is a key component of building implementation capacity. It is an area where the Bank has shown some leadership by, for example, establishing a regional training programme that offers technical diplomas to public procurement officials from across the Region and developing online training modules on its procurement framework. The Bank, in collaboration with other development partners, launched a master's level scholarship programme for procurement leaders and in 2023 supported a regional online procurement capacity-building seminar for all BMCs. These efforts are expected to produce procurement specialists who can lead reforms and facilitate faster and more efficient implementation that would ultimately lead to more timely delivery of project outcomes.

3.47 Enhancing the foundation for evidence-based decision-making is also critical for good governance. Under the CARICOM Regional Statistics Programme aimed at enhancing the capacity for statistical reporting, the Bank provided support to complete the front end of the portal, which became available in 2023. Additionally, in conjunction with Statistics Canada, the Bank facilitated research on labour market gender differentials in the Caribbean.

Table 3.14: RMF Level 2 - Cross-Cutting Themes (Governance & Accountability and RCI)

Grouping/Indicator	Actual 2023	Progress 2021–2023	Projected 2021–2024 Regional, Groups 2&3	BNTF	Related SDG
Building Environmental Resilience					
Energy - Increasing Access to Reliable, Affordable and Modern Energy (Energy Security)					
28. Ministries, departments and agencies with improved public financial management systems, public sector investment programmes and public service delivery (number)	2	5	18	-	
Ministries, agencies and departments with strengthened capacity to plan, implement and monitor development projects and programmes. NEW INDICATOR	2	6	10	-	
Ministries, agencies and departments with enhanced NEW INDICATOR:					
(a) Public procurement systems including e-procurement, according to international best practice (MAPS)	2	6	9	-	
(b) Public service efficiency and delivery through modern systems and digital technologies (using various tools such as the Digital Government Readiness Assessment and Open Data Readiness Assessment)	-	-	-	-	
(c) Statistical and data analytics capacity	4	6	5	-	
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)	3	5	12	-	
30. Trade facilitation measures created, strengthened or expanded (number)	7	7	5	-	



RCI

3.48 As SDF countries pursue socio-economic advancement, they must seek out opportunities to benefit from economies of scale and scope if they are to overcome the constraints posed by small size. Deepening RCI and seeking regional solutions to shared development concerns is therefore a priority for the Bank.

In 2023, the principal interventions in this area were in Jamaica and the OECS. In Jamaica, the enhanced capacity of the National Certification Body of Jamaica (NCBJ) provided access to expanded and gender-inclusive food safety certification services to exporters by NCBJ. The CARICOM Implementation Agency for Crime And Security was able to enhance border systems for the OECS customs union and support the free circulation of goods regime.

LEVEL 3

CDB'S OPERATIONAL EFFECTIVENESS

3.49 Indicators at Level 3 gauge how efficiently and effectively CDB manages its operations. They also assess the Bank's responsiveness and adaptability to the changing environment and needs of its clients. In 2023, the Bank's performance in strengthening operational processes and practices continued to miss the mark, with most indicators deteriorating. Indicators of efficiency, resourcing and utilisation, on the other hand, continued to improve and remained well above target, while efforts to enhance selectivity and strategic focus were mostly on track to meet targets.



STRENGTHENING OPERATIONAL PROCESSES AND PRACTICES, PORTFOLIO PERFORMANCE

3.50 As detailed in Table 3.15 below, the Bank's efforts in this area need to be improved. One noteworthy exception was the percentage of projects under implementation with extensions, which achieved the 2024 target a year early. Importantly, the Bank continued to make progress in advancing other initiatives, which are expected to improve operational practices. Chief among these were the operationalisation of the supervision module in OP365, which will facilitate the completion of the PSRs and the roll-out of the e-claims module in OP365,

which will allow staff to review, approve and monitor disbursements as part of the wider project supervision functionality of OP365. In addition, the Bank offered online procurement training, which will help executing agencies undertake procurement in a manner consistent with the Bank's guidelines, and expanded the procurement expert roster to facilitate the provision of hands-on support at critical stages in the project cycle.

3.51 Projects with timely project completion reports (PCRs), though below target at 57%, are an improvement over the 35% recorded at the end of 2022. The Bank will need a sustained push in this area to achieve and subsequently maintain much higher levels of PCRs. The percentage of the SDF

portfolio rated as Highly Satisfactory and Satisfactory and the percentage of completed projects with timely completion reports were below target. However, indicators of average time from appraisal to first disbursement and average length of project extension showed some reduction. Performance on all these aspects was weighed down by the compound effect of pandemic-related implementation delays on project timelines, on top of pre-existing capacity constraints in the Bank and SDF countries. With delays in rolling out key initiatives aimed at boosting capacity, such as the new OP365 project cycle management system, by the end of 2023, anticipated enhancements to the quality of operations had not yet materialised to support the attainment of targets by 2024.

Table 3.15: RMF Level 3 - Strengthening Operational Processes and Practices, Portfolio Performance

Grouping/Indicator	Baseline		Actual 2023	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	66	98
2. Completed projects/loans with timely PCRs (%)	2019	100	57	100
3. Projects at risk (% of portfolio)	2019	10	7	5
4. Average time taken from appraisal mission to first disbursement (months)	2019	12	15	6
5. Projects under implementation with extensions (revised final disbursement date) (%)	2019	62	50	50
6. Average length of project extension (months)	2019	36	48	24

Table 3.16: RMF Level 3 - Improving Resource Allocation and Utilisation

Grouping/Indicator	Baseline		Actual 2023	Target 2024
	Year	Value		
Resource Allocation and Utilisation				
11. Concessional resources allocated according to PBA system (%)	2019	68	100	65
12. Disbursement ratio (%)	2019	13	21	15
13. Disbursement (efficiency) rate (%)	2019	142	178	100

IMPROVING RESOURCE ALLOCATION AND UTILISATION

3.52 In 2023, as in previous years, all resources were allocated utilising the performance-based allocation (PBA) system, thereby exceeding the associated target. The two disbursement indicators measuring resource utilisation were also well above target. Overall, therefore, the Bank's performance in the area of resource allocation and utilisation was excellent.

IMPROVING SELECTIVITY AND STRATEGIC FOCUS

3.53 The Bank remained on track to achieve most of the targeted results in its ongoing efforts to improve selectivity and strategic focus in its operations (see Table 3.17). In particular, country engagement strategies (CES) have received considerable attention, as the Bank has sought to frontload completion of CES for countries receiving a loan allocation. A programming note was also prepared for Jamaica to provide additional context and justification for the use of its SDF 10 allocation to support food and nutrition security. Approved projects with gender-specific and gender-mainstreamed ratings also performed well. These are new indicators, which demonstrate the Bank's commitment to addressing inequality in the Region. The performance of SDF approvals according to theme is largely on track, the most notable exception being environmental resilience. As discussed in the Level 2 narrative above, the Bank is taking concrete actions to address this outcome, which include more hand-holding for countries to develop projects that can strengthen CC and DRR capacities and support projects that allow for closer alignment with the Bank's DiMSOG.

Table 3.17: RMF Level 3 - Improving Selectivity and Strategic Focus

Grouping/Indicator	Baseline Year	Value	Actual 2023	Target 2024
Improving Selectivity and Strategic Focus				
14. Financing directed to less developed BMCs (% , three-year average)	2017–2019	78	62	80
15. Approved country strategies in use with results frameworks (number)	2019	5	6	9
16a. Approved projects with gender-specific rating (% of total projects) NEW	2021	3	4	5
16b. Approved projects with gender mainstreamed rating (% of total projects) NEW	2019	70	76	85
17. Percentage of projects within the GEAP (2020–2024) implemented within BMCs and the CDB	2019	-	68	80
18. Investment projects with climate-informed design or climate variability and risk assessment (%)	2019	100	100	100
19. SDF approvals supporting (as a % of total SDF financing) NEW:				
(a) Building social resilience leaving no one behind	2021	70.2	66	58
(b) Building economic resilience for inclusive growth	2021	2.9	16	11
(c) Building environmental resilience	2021	24.6	14	27
(d) Gender equality	2021	0.2	1	1
(e) Good governance	2021	2	4	3





The background features a complex financial chart with multiple data series. A prominent light blue line graph trends upwards from the bottom left towards the top right. Other series include a white line graph and various bar charts in shades of blue and green. Numerical values such as 69.928, 48.991, 70.111, 728, 35, 31.012, and 80,80 are scattered across the chart area. The overall color palette is dominated by blues and greens, with a yellow-orange banner at the bottom.

4 FINANCIAL PERFORMANCE

4. FINANCIAL PERFORMANCE

FINANCIAL RESOURCES

4.01 The \$383 mn originally programmed for SDF 10 in the Contributors' Report was intended to be drawn from internally generated resources of

\$162.8 mn and pledged contributions of \$188.2 mn, leaving a structural gap of \$32 mn. Table 4.1 below shows the expected position at the end of the SDF cycle on December 31, 2024. It anticipates a shortfall in new contributions and a reduction in internally generated resources, which would result

in a decline in programmable resources and a corresponding widening of the estimated structural gap. Nevertheless, programmable resources will be adequate to finance the expected level of approvals for the remainder of the cycle.

Table 4.1: SDF 10 Resource Levels 2021–2024 - Programmed vs. Actual (\$mn)

Item	Programmed Contributors' Report	Expected Position as of December 31, 2024	Difference
Internally generated resources	162.8	157.3	–5.5
New (pledged) contributions	188.2	160.0	–28.2
Resources released from portfolio management	0.0	13	13
Programmable Resources	351.0	330.3	–20.7
Structural gap	32.0	52.7	–20.7
Overall Programme Level	383.0	383.0	-

COMMITMENT AUTHORITY AND USE OF FUNDS

4.02 Table 4.2 below shows the actual and projected commitment authority, as well as the actual and projected use of these resources over the SDF 10 cycle. At the start of the cycle, the initial commitment

authority was \$11.7 mn. Over the four years, additional commitment authority from pledged and new contributions, resources released from portfolio management and increases in loan repayments are all estimated to have contributed positively to the stock of programmable resources. However, an offsetting negative contribution is anticipated from a projected

fall-off in loan income and resulting net income losses. Given the remaining programmable resources and estimates of strong growth in loan and grant approvals (3.4% and 11.3%, respectively), carry-over commitment authority to SDF 11 is expected to be on par with the figure in the last cycle.

Table 4.2: Commitment Authority and Use of Funds (\$mn)

Item	SDF 9	SDF 10				
	Total	2021	2022	2023	2024	2021–2024
Commitment authority at beginning of period	7.7	11.7	26.5	89.2	61.3	11.7
Net income	12.5	0.2	1.1	–3.1	0.3	–1.5
Loan Repayments	121.3	34.3	35.9	37.9	39.0	147.1
Commitment authority from pledged and new contributions	173.5	40.9	41.1	36.0	42.0	160.0
Resources released from Portfolio Management		0.0	10.8	2.2	0.0	13.0
Funds available for commitment approvals	315.0	87.1	115.4	162.2	142.6	330.3
Net approvals for SDF Loans	187.2	9.5	18.0	86.1	80.0	193.6
Net Approvals for SDF Grants	116.0	51.1	8.2	14.8	55.0	129.1
Available commitment authority at end of period	11.7	26.5	89.2	61.3	7.6	7.6

ALLOCATION AND UTILISATION

4.03 Table 4.3 provides a breakdown of the allocation and utilisation of resources under SDF 10. The utilisation of loan resources for 2023 reflects the robust recovery in loan approvals during the year. In 2021 and 2022, only three countries made use of their allocations each year. However, the reverse was true in 2023, with all but three of the eight eligible countries utilising some or all of their allocations of SDF loan resources. As a result, the utilisation rate for country loan allocations jumped from 12.6% at mid-cycle to just under 60% at the end of 2023. The overall grant resource utilisation rate was 55.7%, which was on the lower side, taking

into consideration the front-loading of BNTF resources at the start of the cycle. However, this was mainly a reflection of Haiti's low utilisation in 2021 and 2022 and its understandable failure to utilise any of its allocated grant resources at all in 2023, given the security situation there. In sum, less than a quarter of Haiti's allocation had been utilised at the end of 2023. Apart from Haiti, the grant resource utilisation picture was mainly positive. While there was a relatively low uptake of grant resources earmarked for environmental resilience interventions, the grant set-asides for capacity-building, private sector development and gender, all had strong utilisation rates with marked increases in commitments in these areas during 2023.



Table 4.3: Allocation and Utilisation of SDF 10 Resources (\$mn)

Item	Indicative Allocations at February 2021	Revised Allocations 2023	Commitments			Resources Available	Utilisation Rate
			2021	2022	2023		
	\$'000		\$'000	\$'000	\$'000	\$'000	%
Country Allocations- Loan							
Group 1: Anguilla, Bahamas, Barbados, Virgin Islands, Cayman Islands, Turks and Caicos, Trinidad, Tobago, Montserrat, St Kitts and Nevis, Antigua and Barbuda	-	-	-	-	-	-	-
Group 2:							
Belize	28.7	28.7	-	8.8	12.5	7.4	74.2
Dominica	11.0	10.8	1.0	5.5		4.3	59.1
Grenada	12.2	12.2	-	-	12.0	0.2	98.4
Guyana	37.9	38.1	-	-	38.1	-	100.5
Jamaica	48.3	48.3	1.0	-		47.3	2.1
Saint Lucia	17.2	23.7	-	3.7	20.0	(0.0)	137.8
Saint Vincent/Grenadines	12.9	12.9	2.5	-	2.0	8.4	34.9
Suriname	10.8	4.3	-	-		4.3	-
Sub-total Country Allocations	179.0	179.0	4.5	18.0	84.6	71.9	59.8
Set-Aside Resources (Loans)							
Natural disaster mitigation and rehabilitation	40.0	40.0	5.0	-	1.5	33.5	16.3
Total Lending	219.0	219.0	9.5	18.0	86.1	105.4	51.9
Grants:							
BNTF	40.0	40.0	40.0	-	-	-	100.0
Haiti	45.0	45.0	7.5	3.0	-	34.5	23.3
Capacity building	12.0	12.0	1.2	2.3	5.4	3.1	74.3
Environmental resilience	18.0	18.0	0.3	0.9	2.1	14.9	17.3
Private sector enabling environment	15.0	15.0	2.0	1.0	6.7	5.3	64.7
Gender	2.0	2.0	0.1	1.0	0.6	0.3	84.7
Total Grants	132.0	132.0	51.1	8.1	14.9	53.9	56.1
TOTAL RESOURCES	351.0	351.0	60.6	26.1	100.9	163.3	53.3
Structural Gap	32.0						
Approved Programme Level	383.0						

FINANCIAL RESULTS

2023 OUTTURN

4.04 Table 4.4 below summarises the financial outturn of the SDF in the five years between 2019 and 2023, which is a particularly instructive review period, since it covers the pandemic as well as pre- and post-pandemic years. Operational trends such as the strong disbursement flows during the pandemic and subsequent slowdown had important implications for the financial results.

4.05 Loan income remained relatively stable, as loans outstanding remained relatively flat. Notably, investment income continued to rally after recovering in 2022 from stagnation during the pandemic years.

4.06 Administrative expenses increased in keeping with the overall increase in the Bank's operational costs occasioned by the need to onboard additional staff in key frontline operations and supporting functions. With the rate of increase outpacing income growth, net income was negative (unfavourable foreign exchange conversions were also a factor). Overall, though, unrealised gains on investments resulted in positive comprehensive income, for the first time for the tenth cycle.

2024–2026 PROJECTIONS

4.07 The financial projections set out in Table 4.5 anticipate that the Region will remain on the path of economic recovery through 2026. Expectations reflect a gradual pick up in the pace of disbursements that will drive loan growth and more moderate growth in administrative expenditures. Investment income is

Table 4.4: Summary of Financial Results 2019–2023 (\$mn)

Item	2019	2020	2021	2022	2023
Loans outstanding	537.4	593.2	618.3	630.4	628.2
Undisbursed balances	197.8	207.3	184.4	156.2	147.5
Cash and investments	357.2	333.4	302.6	277.5	289.2
Loan income	12.1	12.2	12.6	12.7	12.5
Investment income	7.1	6.3	4.1	4.9	6.1
Unrealised gains/losses	5.9	5.6	–7.5	–23.1	7.9
Administrative expenses	15.4	16.5	15.7	17.0	20.5
Foreign exchange translation	1.2	–0.9	–0.3	–0.6	1.2
Comprehensive income	8.5	8.5	–7.3	–22.0	4.8
Net income	2.6	2.9	0.2	1.1	–3.1
The yield on Av cash and investment (%)	2.1	1.8	1.3	1.7	2.7

Table 4.5: Financial Projections 2024–2026 (\$mn)

Item	2024	2025	2026
Cash and investments	308.5	324.8	340.4
Long-term loans	639.2	653.3	668.5
Investment income	8.4	8.8	9.3
Loan income	12.9	13.3	13.5
Administrative expenses	21.1	21.7	22.0
Net income	0.3	0.4	0.8
Summary Indicators (%)			
Return on assets	0.0	0.0	0.0
Return on equity	0.0	0.0	0.2
Admin expenses/loans	3.3	3.3	3.3
Liquidity - cash and marketable assets/total assets	28.9	29.6	30.2

expected to contribute more favourably to the outturn as yields become more favourable. While there are downside risks in the global environment based largely on conflicts in Ukraine and the Middle East, other geopolitical tensions could also weigh on the Region, and by extension, the SDF. While a de-escalation of

tensions would potentially have a positive impact, other upside risks could also come from tangible benefits arising from concerted efforts to strengthen engagement, improve pipeline management and roll out results from the implementation diagnostic.



A photograph of a tobacco field at sunset. The foreground shows large, green tobacco leaves. In the background, there is a line of trees and a small building under a warm, orange-hued sky. A teal-colored rounded rectangle is overlaid on the right side of the image, containing the text '5 CONCLUSION' in white.

5 CONCLUSION

5. CONCLUSION

5.01 SDF remains a vital financing source in the Region as BMCs address structural vulnerabilities that are amplified by the impact of exogenous shocks. Recent work conducted by the Bank suggested gross financing needs of more than \$36 billion over the five years from 2024 to 2028. The SDF, by providing access to concessional finance for projects with high development impact, helps to ensure that the Region's development is affordable.

5.02 This SDF report highlights several issues including the pick-up of approvals in the latter part of the cycle following the slow start. An acceleration in implementation occurred as countries overcame the pandemic-induced setbacks. Mixed performance in Levels 2 and 3 suggest that further work is needed inter alia in the areas of building environmental resilience and improving portfolio performance, respectively. Over the medium-to-long-term, the Bank will engage in several enabling actions that could allow the SDF to enhance its operational performance and improve its development effectiveness. These include the following:

(a) Focusing on Closing the Implementation Deficit - Last year's annual report noted the implementation

of in-depth examinations being conducted to diagnose and provide bespoke solutions to BMCs. This work is now underway and is expected to be completed in 2025.

(b) Improving Operational Processes and Practices and Quality of Outcomes - While there has been some improvement concerning the completion of PCRs and PSRs, significantly more still needs to be done to ensure the maximum benefits from lessons learnt. To this end, the operationalisation of the supervision module in OP365 is expected to facilitate easier completion of PSRs going forward. Additionally, the provision of a dedicated results management resource would add tremendous value in advancing the Bank's MfDR. The recruitment process for this resource has already commenced. Other efforts to strengthen operational processes and practices include the roll-out of the e-claims module, which will allow staff to review, approve and monitor disbursements as part of the wider project supervision functionality of OP365, the provision of online procurement training and the expansion of the roster of consultants.

(c) Enhancing the Bank's Pipeline Management Framework - Work so far has delivered a current state analysis of the current pipeline framework, identifying weaknesses. There has also been initial support within operations for developing a pipeline health metric, which assesses the overall robustness of the pipeline, and the underlying drivers. By the middle of 2024, the Bank will have a framework design that can be easily inculcated by staff, a suite of metrics to develop (for example length of time projects spend at different stages of the pipeline, level of engagement with customers at different stages) and a blueprint for the health metric. After that, the next stage will be to build out and test the various metrics.

(d) Rescoping the Environmental Resilience Set Aside - The SDF mid-term review process provided a good opportunity to engage with contributors on the reforms needed to advance CC/DRM initiatives in BMCs. This rescoping will allow for greater uptake and ensure better alignment with DiMSOG and action to be taken to respond to CC impacts.

- (e) **On-boarding New Resources to Blend With SDF** - This has been a mainstay of the Bank's operations, having recently onboarded resources from the Government of the Italian Republic, the European Investment Bank, Agence Française de Développement and the Government of Canada.
- (f) **Strengthening the Bank's Own Financial Capacity Through, Among Other Things, the Creation of a New Capital Adequacy Framework, Engaging in Balance Sheet Optimisation and Actively Seeking to Onboard New Members to the Bank** - These measures are consistent with the Bank's new Enterprise Risk Management framework. They will provide headroom for additional lending, which could also be blended with SDF to reduce the cost of borrowing.

5.03 As the Bank embarks on negotiations for the next cycle of SDF 11, it will also have available, recommendations from a multicycle evaluation for SDF 8 & 9 by 2024 to further strengthen operational performance. This, alongside the continued support of contributors, will be essential in helping the SDF to transform lives.







APPENDICES



APPENDIX I

THE UNIFIED SPECIAL DEVELOPMENT FUND

Background

Established in 1970, the SDF/the Fund is the Bank's largest pool of concessionary resources. The facility offers loans with longer maturities and grace periods and lower interest rates than those applied to the Bank's ordinary operations. Initially, the various contributors to the Fund applied an assortment of terms and conditions, which created complexities and inefficiencies in the Fund's operation. As a result, in 1983, the decision was taken to set up a fund with a uniform set of rules, and the SDF(U) was formed. With consistent terms, objectives and procurement conditions, SDF(U) sought to overcome the problems associated with individual donors and funding arrangements.

All members of the Bank are required to contribute to SDF(U) and contributions are also sought from non-members. Contributions are interest-free and provided on a multi-year basis, for an indefinite term. To focus the Fund's operations, a supplementary governance structure, which includes an annual meeting of contributors, was created. Non-members are also invited to participate as observers in meetings of the Bank's Board of Directors and Board of Governors.

SDF (U) has a four-year replenishment cycle except for the third replenishment cycle (SDF 4), which was extended by an extra year because of additional contributions

from a new member of the Bank. The Tenth Cycle of the Fund commenced on January 1, 2021, and will end on December 31, 2024.

Funding

Over the nine cycles, contributions or pledges of \$1,616.0 mn have been made to the operations of SDF(U). A total of \$352.5 mn (21.8%) of the contributions/pledges came from borrowing members with non-borrowing members and non-members accounting for \$1,192.2 mn (73.8%) and \$23.3 mn (1.4%), respectively. A total of \$48 mn (3%) in allocations from the net income of the Ordinary Capital Resources (OCR) was pledged to fund SDF cycles 7, 8 and 9.

Contributions pledged for SDF 10 totalled \$188.2 mn, with borrowing members pledging \$67.4 mn and non-borrowing members, \$120.8 mn. Contributions to each cycle by category of membership are shown in Appendix II.

Themes and Priorities

During negotiations of each cycle, Contributors and the Bank agree on the priorities and issues to be addressed. These discussions focus on the most appropriate entry points through which the Bank can support sustainable

poverty reduction initiatives in eligible countries. In recent cycles, SDF has given significant support to thematic areas such as environmental sustainability and advancing the CC agenda, building capacity and maritime transport in beneficiary countries. RCI and enhancing the Bank's development effectiveness have also been key priorities. For SDF 10, the core themes, which are detailed in the Box titled SDF 10 Operational Strategy, are building social resilience and leaving no-one behind; building economic resilience for inclusive growth; and building environmental resilience.

Programme Levels

The programme level for each SDF(U) cycle is financed with new pledges from Contributors, net income generated by the Fund reflows from loan repayments, and since SDF 7, an allocation from the OCR net income. The programme levels over the nine cycles of the Fund are shown in the chart below. For SDF 9, Contributors approved an overall programme level of \$355 mn, details of which are given in Appendix II.

Eligibility of Countries

The Bank's BMCs are assigned to one of three country groups based on their relative per-capita incomes. The country groups help to determine the terms and conditions for SDF lending (refer to Appendix III). While

all BMCs are eligible for SDF resources, countries in Group 1 do not receive a country allocation and can only benefit from regional projects and support for RPGs and assistance in the event of a natural disaster.

Allocation of Resources

Since 2001, a Resource Allocation Strategy has been used to allocate both SDF loan resources to eligible countries and BINTF resources to participating BMCs. The resource allocation formula used by CDB is comprised of a country performance or effectiveness component and a needs component. The country performance element of the formula recognises that countries which have relatively strong policy and institutional frameworks are likely to make more effective use of concessionary resources, especially regarding poverty reduction and broad-based sustainable growth. It therefore acts as an incentive for improved policy and institutional performance. The needs component of the formula includes a CDB-developed measure of vulnerability, and with effect from the SDF 8, a variable representing the number of poor people in a country as an indicator of country needs.

APPENDIX II

Contributions to the Unified Special Development Fund (after transfers from earlier SDF and other adjustments) (\$'mn)

Item	SDF 1 ^{a/}	SDF 2 ^{a/}	SDF 3 ^{a/}	SDF 4 ^{a/}	SDF 5	SDF 6	SDF 7	SDF 8	SDF 9	SDF 10
Regional Members: BMCs										
Trinidad and Tobago	2.5	2.5	3.85	3.85	5	7.5	10.18	10.55	11.079	11.291
Jamaica	1.4	1.4	3.87	3.85	5	7.5	10.18	10.55	11.079	12.984
Guyana	1.4	1.4	2.16	2.16	2.81	4.22	5.67	5.88	6.17	7.231
Bahamas, The	1.4	1.4	2.16	2.16	2.81	4.21	5.67	5.88	6.17	7.231
Barbados	1.4	1.4	2.16	2.16	2.81	4.21	5.67	5.88	6.17	4.000
Suriname ^{b/}	-	-	-	-	-	-	-	2.16	6.17	7.231
Antigua and Barbuda	0.25	0.25	0.16	0.25	0.32	0.42	0.61	0.63	0.664	1.773
Belize	0.25	0.25	0.65	0.65	0.84	1.1	1.39	1.44	1.513	1.773
Dominica	0.25	0.25	0.65	0.65	0.84	0.84	1.39	1.44	1.513	1.773
Grenada	0.25	0.25	0.65	0.65	0.84	0.1	0.61	0.63	1.513	1.773
St. Kitts and Nevis	0.25	0.25	0.65	0.65	0.84	1.1	1.39	1.44	1.513	1.773
Saint Lucia	0.25	0.25	0.65	0.65	0.84	1.1	1.39	1.44	1.513	1.773
Saint Vincent and the Grenadines	0.25	0.26	0.65	0.65	0.84	1.1	1.39	1.44	1.513	1.773
Cayman Islands	0.1	0.1	0.15	0.25	0.32	0.42	0.61	0.63	0.664	0.778
Anguilla	0.1	0.1	0.25	0.25	0.32	0.42	0.61	0.63	0.664	0.778
Turks and Caicos Islands	0.1	0.1	0.25	0.25	0.32	0.42	0.61	0.63	0.664	0.778
British Virgin Islands	0.1	0.1	0.25	0.25	0.32	0.42	0.61	0.63	0.664	0.778
Montserrat	0.1	0.1	0.25	0.25	0.32	0.42	0.61	0.63	0.664	0.778
Haiti ^{b/}	-	-	-	-	-	0.65	0.91	0.94	0.992	1.163
Sub-total	10.35	10.36	19.41	19.58	25.39	36.15	49.48	53.46	60.892	67.432
Regional Members: Non-BMCs										
Brazil	-	-	-	-	-	-	-	5	-	-
Colombia	5	3.33	5	3	3.6	3.6	3.6	3.52	3.5	3.500
Mexico ^{c/}	-	-	5	3	3	3	3	3.52	3.5	3.567
Venezuela	5	3.34	5	3	3	3.6	3.6	3.52	3.5	3.567
Sub-total	10	6.67	15	9	9.6	10.2	10.2	15.56	10.5	10.634
Non-Regional Members										
Canada ^{d/}	60.87	15	20	16.8	25.2	44	69.83	66.44	52.859	59.659
United Kingdom ^{d/}	42.82	15	20	16.8	25.2	44	69.83	51.82	19.358	26.475
France ^{e/}	21	10	14	11.76	-	-	-	-	-	-
Italy	21	10	14	8.66	3.15	5	7.08	3.24	2.958	3.213
Germany	-	26	14	11.76	-	12.17	18.83	15.96	13.732	13.666
China ^{f/}	-	-	-	24	4	5.2	8.1	7	6.275	7.107
Sub-total	145.69	76	82	89.78	57.55	110.37	173.68	144.46	95.182	110.120
Non-Members										
Netherlands	5	5	7	6.3	-	-	-	-	-	-
Allocation from OCR	-	-	-	-	-	-	15	18	15	-
Sub-total	5	5	7	6.3	-	-	15	18	15	-
TOTAL	171.04 ^{d/}	98.03	123.41	124.66	92.54	156.72	248.35	231.48	181.574	188.186

^{a/} At exchange rates as of dates of payment.

^{b/} Suriname joined the Bank in September 2013 and Haiti in 2007.

^{c/} Mexico contributed \$5 mn and \$3.33 mn to SDF Other in 1984 (SDF 1) and 1988 (SDF 2).

^{d/} SDF 1 contributions include amounts originally contributed to earlier special funds.

^{e/} No longer a member as of October 2000.

^{f/} Joined in 1998 after the Replenishment Negotiations on SDF 4.

APPENDIX III

SDF 10 Programme Level, Country Groups and Terms of Lending

Approved Programme Level For SDF 10 (\$ mn)	
Loans	
Country loans using performance-based resource allocation system	211
Natural disaster mitigation and rehabilitation	40
Grant Set-Asides	
BNTF	40
Haiti	45
Capacity building	12
Private sector development	15
Environmental resilience	18
Gender	2
Total	383

Country Groups and Terms of Lending For SDF 10		
Country Group	Country	Terms of Lending
Group 1 (Mainly OCR)	Anguilla	Interest rate - 1%
	Antigua and Barbuda	Maximum grace period - 5 years
	Bahamas, The	Maximum overall maturity - 25 years
	Barbados	
	British Virgin Islands	
	Cayman Islands	
	Montserrat	
	St. Kitts and Nevis	
	Trinidad and Tobago	
	Turks and Caicos Islands	
Group 2 (Blend of SDF and OCR)	Belize	Interest rate - 0.75%
	Dominica	Maximum grace period - 5 years
	Grenada	Maximum overall maturity - 35 years
	Guyana	
	Jamaica	
	Saint Lucia	
	St. Vincent and the Grenadines	
	Suriname	
	Haiti ^{a/}	Interest rate - 0.75%
Group 3 (Mainly SDF)		Maximum grace period - 10 years
		Maximum overall maturity - 40 years

SDF 10 Programme Level

Contributors approved a total programme of \$383 mn, comprising \$211 mn in country loans and \$40 mn in natural disaster mitigation and rehabilitation. Grant set-asides amounted to \$132 mn, the bulk of which was earmarked for the BNTF and Haiti.

Country Groups and Terms of Lending

Country groups are used to determine both country eligibility for SDF resources and the terms and conditions of lending. The table left shows how lending terms vary according to Country Grouping. Under SDF 10, Contributors approved an increase in the level of concessionality. For Group 1, the maximum overall maturity increased from 20 to 25 years. For Group 2, the interest rate was lowered from 1% to 0.75% and the maximum overall maturity increased from 25 to 35 years. Similarly, for Group 3, the interest rate was lowered from 1% to 0.75% and the maximum overall maturity increased from 30 to 40 years.

^{a/} Set-aside allocation will be used instead of the resource allocation formula. There were four country groups during SDF 1 - SDF 7

APPENDIX IV

SDF 10 Commitments 2021–2023 (Classified by SDF10 Themes)

Project	Date Approved	Net Approved From SDF	Total CDB Financing
Loans Approved			
Building Social Resilience			
Barbados			
The University of the West Indies Digital Transformation Project	December 21	2,000	6,000
Belize			
Belize Resilience Programme - B Resilient	December 22	5,000	5,000
Belize Social Investment Fund III - Add. Loan	December 22	1,262	1,262
Grenada			
Grenada Education Enhancement Project Phase II (Add. Loan)	December 23	12,000	34,000
Guyana			
Water Supply Improvement Project	June 23	38,110	76,249
Saint Lucia			
Youth Economy Project	June 23	6,276	6,276
Saint Vincent and the Grenadines			
School Improvement Phase I - Revision of Scope and Add. Loan	December 23	2,000	16,000
Building Environmental Resilience			
Belize			
NDM - IRL - Hurricanes Eta and Iota	December 21	2,500	2,500
St. Lucia			
Enhancing the Resilience of the Saint Lucia Fire Service	June 23	9,971	9,971
NDM - IRL - November 2022 Severe Flooding Event – St. Lucia	November 23	1,500	1,500
St. Vincent And The Grenadines			
NDM - IRL - La Soufriere Volcano	April 21	5,000	5,000
Building Economic Resilience			
Belize			
Student Loan Line of Credit	September 22	2,500	6,000
Agricultural and Industrial Line of Credit	June 23	12,500	12,500
Dominica			
Rehabilitation of Loubiere to Bagatelle Road - Phase 1 - Loubiere to Grand Bay Road	March 22	5,500	37,530
St. Lucia			
Support to MSME Sector Post COVID-19	September 22	3,704	3,704
Student Loan Line of Credit	June 23	3,704	3,704
Total Loans Approved		113,527	221,196

APPENDIX IV

SDF 10 Commitments 2021–2023 (Classified By SDF10 Themes)

PAGE 2

Project	Date Approved	Net Approved From SDF	Total CDB Financing
Grants Approved			
Building Social Resilience			
Guyana			
Development of food products	May 30	281	281
Traceability system for pineapples and leafy greens			
Regional			
Supporting the Fourteenth Caribbean Institute of Gender and Development Online Training Programme and Seed Grants	May 21	127	127
Evaluation of energy sector policy and strategy	May 21	146	146
Capacity building in educational planning and preparation of a strategic plan for the Caribbean Centre for Educational Planning, University of the West Indies	June 21	94	94
Support for Risk Communication and Community Engagement for COVID-19 Vaccine Uptake in the Caribbean	July 21	55	55
Review of Education and Training Policy and Sector	March 22	165	165
Preparation of the Gender-Responsive Caribbean New School Model Conceptual Framework, a roadmap for implementation and architectural design considerations for early childhood and basic education school facilities	March 22	41	41
Support For Caribbean Regional Risk Conference -Theme: Implementing Integrated Sovereign Risk Management to Advance Sustainable Development	April 22	60	60
Increasing access to climate-smart agriculture in the Caribbean through INMED Aquaponics	May 22	150	150
Country Gender Assessments 2022–2024	September 22	488	488
Pilot for strengthening gender-responsive planning and reporting on gender statistics	September 22	460	460
Caribbean Congress on Adolescent and Youth Health II: Building Back Better - Advancing and Safeguarding the Health and Well-Being of Adolescents and Youth in the Caribbean	October 22	20	20
Capacity Building, Monitoring and Evaluation and Knowledge Exchange Support for the Learning and Enhancement Programme (Let's Reap)	October 22	500	500
Support to the 2022 High-Level Forum on Water of the Caribbean Water and Wastewater Association	October 22	48	48
Monitoring and evaluation support of the CARICOM Human Resource Development 2030 Strategy and preparation of the Basic Education Quality Management Framework	November 22	136	136
Support for the Development of Phase-1 of the Regional Electricity Sector Regulatory Assertive	February 23	114	656
Support to the Caribbean Renewable Energy Forum 2023	April 23	120	120
Participation of the Borrowing Member Countries of the Caribbean Development Bank at the Inter-American Network on Government Procurement Annual Conference	April 23	88	88
Development and piloting of a Climate Smart Agriculture Knowledge and Information Platform	May 23	400	400
Development of a framework for Enhancing Engagement With and Support for Indigenous Peoples in the Caribbean	June 23	206	206
Youth For Innovation and Resilience (Youth Fire)	June 23	171	171
Supporting the Fifteenth Caribbean Institute in Gender and Development Training and Seeds Grants Programme	June 23	264	264
The Gender Differential Labour Market Impact Study 2023–24	June 23	362	362
Support To The 7th Biennial Law Conference of the CCJ Academy for Law	September 23	50	50
Preparation of Rightsizing Strategy for the UWI Global Campus Capacity Building for Strategy Implementation	September 23	71	71

APPENDIX IV

SDF 10 Commitments 2021–2023

(Classified By SDF10 Themes)

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Project	Date Approved	Net Approved From SDF	Total CDB Financing
Development of a Caribbean water utility insurance collective	August 23	650	650
2023 High-Level Fora of the Caribbean Water and Wastewater Association	October 23	150	150
Investing in sustainable food systems in the Caribbean Region	December 23	3,000	3,000
Support to Caribbean countries to implement the WTO Agreement on Fisheries Subsidies	December 23	297	297
Saint Lucia			
Youth Economy Project	June 23	466	466
Building Economic Resilience			
Anguilla			
CTCS	June 21	91	91
Antigua And Barbuda			
CTCS - Strengthening the private sector capacity to utilize the CARIFORUM- EU EPA to increase competitiveness and maximize opportunities for global export	May 22	99	194
Belize			
BNTF	April 21	5,031	5,031
Increasing participation of the Belizean cacao industry in the cocoa-chocolate global value chain	September 21	222	507
Development of a risk-based sanitary and Phyto-sanitary import and export control system for Belize	December 21	200	200
Enhancing the capacity of the government of Belize to facilitate trade	November 21	342	342
Dominica			
BNTF	April 21	2,899	2,899
Grenada			
BNTF	April 21	2,709	2,709
Guyana			
BNTF	April 21	7,937	7,937
Jamaica			
BNTF	April 21	8,250	8,250
CTCS	April 21	58	58
Montserrat			
BNTF	April 21	607	607
CTCS	July 22	26	26
Regional			
BNTF 10 - Programme implementation support	April 21	1,500	1,500
BNTF 10 - Programme management support	April 21	1,250	1,250
BNTF 10 - Programme monitoring and evaluation	April 21	1,250	1,250
Tenth Caribbean Urban Forum and Workshop	June 21	20	20
CTCS	May 21	320	320
CTCS	August 21	205	205
CTCS	September 21	326	326
CTCS	December 21	222	222
Public Procurement Reform of the Eastern Caribbean States - Phase II	December 21	500	500

APPENDIX IV

SDF 10 Commitments 2021–2023 (Classified By SDF10 Themes)

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Project	Date Approved	Net Approved From SDF	Total CDB Financing
Upgrade of procurement e-learning modules	December 21	150	150
CTCS	May 22	150	150
Tenth International Road Federation Caribbean Regional Congress	June 22	93	93
Eleventh International Road Federation Caribbean Regional Congress	June 23	113	113
Eleventh Caribbean Urban Forum	July 22	76	76
Improving the ease of starting a new business in the Caribbean	December 23	524	524
Twelfth Caribbean Urban Forum	May 23	72	72
Caribbean Association of National Telecommunications Organizations 37th Annual Conference and Trade Exhibition	July 22	33	33
CTCS	August 22	550	550
Caribbean Infrastructure Forum 2022	September 22	28	28
Improving the supply chain for Intra-CARICOM Agri Trade: Logistics case study for Grenada and Saint Lucia	September 22	110	110
11th Biennial Conference of the Institution of Structural Engineers (ISTRUCTE) Caribbean Regional Group	November 22	50	50
Support for the Caribbean Investment Forum	November 22	247	247
CTCS	November 22	150	150
CTCS	December 22	24	24
CTCS	January 23	74	74
CTCS	March 23	375	375
Support for the establishment of a cultural and creative industries innovation fund (Add. contribution)	June 23	1,300	1,300
CTCS	July 23	100	100
Caribbean Regional Technical Assistance Centre Continuation of Financial Support (Contribution Phase VI)	December 23	2,000	2,000
Saint Lucia			
BNTF	April 21	3,611	3,611
Student Loan Line of Credit	June 23	250	250
CTCS	June 23	100	100
Saint Vincent and The Grenadines			
BNTF	April 21	3,567	3,567
Building Environmental Resilience			
Saint Lucia			
Enhancing the resilience of the Saint Lucia Fire Service	June 23	231	231
Haiti			
Support for Haiti to meet the commitment to Caribbean Catastrophe Risk Insurance Facility premium payment for the 2021–2022 policy period	December 21	6,930	6,930
Support for Haiti to meet the commitment to Caribbean Catastrophe Risk Insurance Facility premium payment for the 2022–2023 policy period	December 22	3,000	3,000
Regional			
Assessment of Caribbean Development Bank's alignment with the goals of the Paris Agreement	March 21	65	65
Comprehensive diagnostic of gender-sensitive disaster risk financing instruments	September 21	204	204
Supporting the Caribbean agenda at the Twenty-sixth Meeting of the United Nations Framework Convention on Climate Change Conference of Parties	September 21	138	138

APPENDIX IV

SDF 10 Commitments 2021–2023 (Classified By SDF10 Themes)

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Project	Date Approved	Net Approved From SDF	Total CDB Financing
Capacity support for the development of energy sector integrated resource and resilience plans	May 22	750	750
Supporting the Caribbean Agenda at the Twenty-Seventh Meeting of the United Nations Framework Convention on Climate Change Conference of Parties	August 22	220	220
Second Investment Forum Under the Caribbean Nationally Determined Contributions Finance Initiative	September 22	42	42
Financial support for an integrated utility services side event at COP27	October 22	26	26
Financial support for dialogue on gender smart Caribbean financing for the Caribbean at the Twenty-Seventh Meeting of Conference of Parties	November 22	20	20
Support for Caricom Energy Month 2022	December 22	115	115
Supporting climate finance in the Americas meeting and Fourth Inter-American Meeting of Ministers and High-Level Authorities on Sustainable Development	December 23	87	87
Support to the Caribbean Disaster Emergency Management Agency for the coordination of regional emergency assistance	May 23	750	750
Supporting the Caribbean Agenda at the Twenty-Eighth Meeting of the United Nations Framework Convention on Climate Change Conference of Parties	August 23	253	253
Saint Vincent and The Grenadines			
Disaster Management Emergency Assistance Grant: La Soufriere Volcanic Eruption (2021)	June 21	300	300
Building Institutional Resilience			
Grenada			
Capacity Building of the Ministry of Mobilisation, Implementation and Transformation	July 23	200	200
Regional			
Assessment of the optimal future state for the coordination of the CARICOM statistical system	March 22	181	181
Procurement Capacity Enhancement Project	October 22	140	140
Caribbean Conference of Corruption, Compliance and Cybercrime	October 22	50	50
Mid-term review of the Tenth Cycle of the Unified Special Development Fund	February 23	140	140
CARICOM Digital Skills Certificate Forum/Retreat	August 23	61	61
E-mobility capacity-building activities	August 23	101	101
Strengthening regional capacity in community engagement through online learning	September 23	93	93
Supporting the CDB to establish and capitalise on a climate change project preparation fund	September 23	153	153
Multi-sector evaluation of the SDF 8 & 9 cycle	November 23	216	216
Examination of implementation conditions and the development of solutions in the Caribbean Development Bank's Borrowing Member Countries	December 23	750	750
Provision of consultancy services to support the negotiation for the replenishment of the SDF-11th cycle	December 23	133	133
Total Grants Approved		74,100	74,642
Total Approved		187,666	295,877

APPENDIX V

SDF PORTFOLIO ANALYSIS

Portfolio Performance

The quality and performance of the SDF portfolio are measured by an implementation progress rating (IPR), using a composite score derived from the computation of the implementation progress score (IPS) from OP365. This score is an indicative measure of the likely impact of the project relative to the Bank's development assistance objectives and is the sum of the weighted scores of six core criteria: loan/grant delay in terminal disbursement date (TDD) vs original; issues log (issues outstanding); actual disbursements versus target in any given year; terms and conditions satisfied; and the number of output indicators that achieved target. Data available for 44 projects suggest that portfolio performance was satisfactory, with approximately 66% achieving the performance rating, and the remainder, marginally unsatisfactory or unsatisfactory.

SDF(U) Portfolio Project Performance Rating 2022 and 2023

2022							2023				
Composite Score	Project Performance Rating	No. of Projects	% of Portfolio by No. of Projects	Value of Projects	% of Portfolio by Value of Projects	Overall PPI	No. of Projects	% of Portfolio by No. of Projects	Value of Projects	% of Portfolio by Value of Projects	Overall PPI
>= 3.26	Highly Satisfactory	12	29	373.9	40	3.9	14	32	403.8	37	3.85
2.26–3.25	Satisfactory	18	44	406.8	43	2.9	15	34	244.9	24	2.74
1.76–2.25	Marginally Unsatisfactory	7	17	86.5	21	2.1	12	27	423.2	38	2.12
1.0–1.75	Unsatisfactory	4	10	72.5	6	1.5	3	7	27.4	2	1.50
Total		41	100%	939.7	100%	3.1	44	100	1,099.4	100	2.88

SDF Portfolio Country Performance Rating For The Years Ending December 31, 2022 and 2023

Performance Rating	2022	2023
Highly Satisfactory	Belize, Saint Lucia, Saint Vincent and the Grenadines	Belize, Suriname
Satisfactory	Dominica, Grenada, Guyana, Haiti, Regional and Saint Lucia	Antigua and Barbuda, British Virgin Islands, Dominica, Grenada, Guyana, Regional, Saint Lucia, Saint Vincent and the Grenadines.
Marginally Unsatisfactory	Suriname	None
Unsatisfactory	Antigua and Barbuda	None

APPENDIX V

SDF Portfolio - Country
Performance Rating By IPR

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Performance Rating	2022			2023		
	No. of Projects	% of Portfolio	IPR	No. of Projects	% of Portfolio	IPR
Antigua and Barbuda	1	3	1.3	1	2	2.33
Belize	8	20	3.8	9	20	3.56
British Virgin Islands	-		n/a	1	2	2.00
Dominica	4	10	2.5	5	11	2.30
Grenada	6	15	2.3	7	16	2.90
Guyana	3	8	3.0	4	9	2.26
Haiti	3	8	3.2	-	-	n/a
Saint Lucia	5	13	2.8	5	11	2.64
Saint Vincent and the Grenadines	8	20	3.4	9	20	3.23
Suriname	1	3	1.8	2	4	3.25
Regional	1	3	3.0	1	2	2.88
Total	40	100	3.1	44	100	2.88
Overall PPI	Satisfactory			Satisfactory		

SDF Portfolio - Country Performance Rating By IPR

	2022			2023		
	No. of Projects	% of Portfolio	PPI	No. of Projects	% of Portfolio	PPI
Agriculture and rural development	3	8	3.0	2	4	2.85
Education	9	24	3.0	10	22	2.97
Environment and disaster risk reduction	12	32	2.3	11	24	2.01
Energy	-	-	-	1	2	3.00
Financial, business and other services	2	6	3.6	5	11	3.82
Public sector management	1	3	2.0	-	-	-
Social infrastructure and other services	1	3	3.0	3	7	2.54
Transport and communication	8	20	3.4	7	16	3.12
Urban development and shelter	1	3	2.0	1	2	2.50
Water and sanitation	4	12	2.5	4	8	2.38
Total	40	100	3.1	44	100	2.88
Overall PPI Rating	Satisfactory			Satisfactory		

APPENDIX V

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Projects at Risk

Based on information from PSRs, three projects (7%) were classified as at risk (seven in 2022). At risk projects covered three BMCs and two sectors. Table 3.3 below provides a summary of the issues related to at-risk projects or loans.

Summary of Projects/Loans Flagged "At Risk" For 2023

Name of Project and Approved Value (\$'000)	Country	Cumulative Disbursement as of 2023-12-31 (\$'000)	Age	Key Issues
1. NDM - Rehabilitation and Reconstruction (Tropical Storm Ophelia) (\$4,100)	DOM	1,223 (30%)	11.8	<ul style="list-style-type: none"> Land acquisition. Delays in appointing key staff.
2. Integrated Solid Waste Management Project (\$10,700)	GRN	6,354 (59.4%)	8.9	<ul style="list-style-type: none"> The Public Education Awareness Programme has not yet been implemented as the EA implementation rate has been slow. Expected to be commenced by Q3 2024. Supply of equipment for GSWMA and Composting Feasibility Study Consultancy, both have delayed implementation but are currently underway.
3. NDM - Rehabilitation and Reconstruction (Hurricane Tomas/North Windward) (\$12,226)	STV	1,034 (12%)	12.1	<ul style="list-style-type: none"> Suspension of works by the contractor due to delayed payment of VAT by the Government of St. Vincent and Grenadines. Shortage of skilled labour due to an upsurge in construction activity over the past year. Poor production rate by the contractor.

APPENDIX VI

SDF FINANCIAL STATEMENTS

VI-2: Summary Balance Sheets as of December 31, 2019–2023

VI-3: Summary Income Statements for the years ending December 31, 2019–2023

VI-4: Summary of Notes, Encashments and Drawdowns - 2023

VI-5: Projected Balance Sheets as of December 31, 2024–2026

VI-6: Projected Income Statements for the years ending December 31, 2024–2026

APPENDIX VI

Summary Balance Sheets as at December 31, 2019–2023 (\$mn)

PAGE 2

Item	2019	2020	2021	2022	2023
Assets:					
Cash and investments	357.2	333.4	302.6	277.5	289.2
Contributions in arrears	16.7	22.4	28.2	14.9	32.5
Non-neg. demand instruments	71.5	68.2	70.3	85.2	86.4
Loans outstanding (net)	537.4	593.2	618.3	630.4	628.2
Other receivables	0.5	0.2	0.2	0.2	0.2
Total Assets	983.4	1,017.5	1,019.5	1,008.1	1,036.5
Liabilities:					
Contributions in advance			1.3	1.3	0.4
Payables	43.6	58.1	58.9	54.0	56.7
Contributions	740.7	747.4	753.9	760.7	776.5
Accumulated net income	55.5	64.0	56.7	34.7	39.5
TA allocation	143.6	148.0	148.7	157.3	163.3
Total Liabilities and Funds	983.4	1,017.5	1,019.5	1,008.1	1,036.5

Summary Income Statements For The Years Ending December 31, 2019-2023 (\$mn)

Item	2019	2020	2021	2022	2023
Revenue:					
Investment income	7.1	6.3	4.1	4.9	6.1
Loan income	12.1	12.2	12.6	12.7	12.5
Exchange					
Total Revenue	19.2	18.5	16.7	17.6	18.6
Expenses:					
Administrative expenses	15.4	16.5	15.7	17.0	20.5
Write-down of financial assets			1.2		
Exchange loss/(gain)	1.2	(0.9)	(0.3)	(0.6)	1.2
Total Expenses	16.6	15.6	16.6	16.4	21.7
Net Income	2.6	2.9	0.2	1.2	(3.1)

APPENDIX VI

Projected Balance Sheets
as at December 31, 2024–2026

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Item	2023	2024	2025	2026
Assets:				
Cash and equivalents	34.5	30.3	30.4	30.8
Securities-prime	254.7	278.2	294.4	309.6
Long-term loans	628.2	639.2	653.3	668.5
Other assets	119.1	119.1	119.1	119.1
Total Assets	1036.5	1066.8	1097.2	1128.0
Liabilities:				
Current liabilities	54.0	57.1	57.1	57.1
Contributions	776.5	806.5	836.5	866.5
Accumulated net income	192.1	203.2	203.6	204.4
Total Liabilities and Capital	1036.5	1066.8	1097.2	1128.0

Summary Income Statements For The Years Ending December 31, 2019-2023 (\$mn)

Item	2024	2025	2026
Revenue:			
Investment income	8.4	8.8	9.3
Loan income	12.9	13.3	13.5
Exchange	0.0	0.0	0.0
Total Revenue	21.4	22.1	22.8
Expenses:			
Administrative expenses	21.1	21.7	22.0
Net Income	0.3	0.4	0.8

