

CARIBBEAN DEVELOPMENT BANK



EVALUATION REPORT

**COUNTRY STRATEGY AND PROGRAMME EVALUATION - SURINAME
WITH MANAGEMENT RESPONSE**

This Document is being made publicly available in accordance with the Bank's Information Disclosure Policy. The Bank does not accept responsibility for the accuracy or completeness of the Document.

Any designation or demarcation of, or reference to, a particular territory or geographic area in this Document is not intended to imply any opinion or judgment on the part of the Bank as to the legal or other status of any territory or area or as to the delimitation of frontiers or boundaries.

**OFFICE OF INDEPENDENT EVALUATION
OCTOBER 2021**

COUNTRY STRATEGY AND PROGRAMME EVALUATION - SURINAME

Date: October 2021



Office of Independent Evaluation
Caribbean Development Bank

Acknowledgements

I would like to acknowledge the valuable work of IOD PARC in executing this evaluation. Staff and associates included Simon Henderson (IOD PARC Associate), Jan Voordouw (IOD PARC Associate) and Nick York (Director and Principal Consultant - Team Leader for this evaluation).

The Office of Independent Evaluation (OIE) particularly thanks the Government of Suriname, its project implementing agencies, as well as civil society and international organisations based in Suriname, for readily agreeing to meet with and respond to evaluators. Staff from the Caribbean Development Bank's Operations Department also responded readily to the numerous queries of the evaluation team. Stephan Maier as lead country economist has kindly reviewed, and coordinated validation of, draft findings.

From OIE, Denise Padmore played a large role in gathering documents and data on the Suriname Country Strategy programme, and in arranging the interview programme for the inception and main phases.

James Melanson

Head, Office of Independent Evaluation

Executive Summary

Background

This evaluation is the first by the Office of Independent Evaluation (OIE) of the Caribbean Development Bank's (CDB) Country Strategy and Programme in Suriname. It covers the Country Strategy Paper (CSP) (2014-18) and more recent developments up to 2020, including the first months of the new government.

Suriname is the newest borrowing member of CDB, having joined in 2013. At that time, it was seen as a country which had made significant development strides in a relatively short time frame, with an expectation of anchoring growth on a platform of deep structural reforms. Bank membership offered Suriname a means of furthering its economic integration in the Region, while for CDB, developing a new programme in Suriname offered a route to expanding its borrowing membership and diversifying its loan portfolio in what was then a relatively benign credit risk environment.

This positive starting point was not sustained for long. Soon after the CSP was approved, the economic situation deteriorated sharply. In 2015-16, there was a sharp recession, and Suriname needed support from the International Monetary Fund (IMF), as well as CDB and the Inter-American Development Bank (IDB). The government at the time had limited success in delivering on key reforms such as reducing fuel subsidies. The new government which came in during 2020 is now seeking to address economic challenges exacerbated by COVID-19, again requiring IMF support.

Relevance of the CDB's approach

In terms of its relevance to Suriname's development priorities and needs, the evaluation finds that the CSP and the proposed support programme were generally highly relevant, and that the strategic rationale for CDB engagement in Suriname was strong, in all the sectors (including water, education and energy) which were identified.

The CSP also identified gender equality as an important issue with Suriname lagging behind much of the rest of the Latin American and Caribbean (LAC) region in relevant indicators. The CSP recognised the need to support these ambitions with specific budgetary provisions, but CDB was not able to gain much traction in the Suriname context.

One omission was that the aim of economic integration regionally, an important need for Suriname, was not considered in detail in the CSP itself, although interviews and the team's understanding of the economic context suggest it is important. We understand, however, that economic integration as such was not an area that came out as a priority in discussions with the government, which would make it difficult for CDB to address it directly. It could however be taken to be strongly implied by the stated priority of economic diversification and within that access to global markets, combined with CDB's comparative advantage in its understanding of the Caribbean region.

The CSP showed a good fit to CDB's corporate and sectoral priorities. In one area - private sector development and economic diversification – CDB allocated significant resources under Pillar 2 and initiated technical assistance (TA) and support by Caribbean Technological Consultancy Services (CTCS) on micro, small and medium enterprises (MSME), but in practice there was limited uptake from the Government of Suriname.

Implementation and Effectiveness

Despite the high degree of design relevance of CDB's programme, many of the proposed engagements were not realised or ran into implementation challenges, which reduced the substantive relevance of the programme. Together with the political and economic challenges which impacted on the environment for delivering support, the result was that the overall effectiveness of the CSP programme over the review period has been mixed.

The main challenge has been the limited pace of implementation. In fact, most loan projects – totalling \$118 m – have experienced significant implementation delays and challenges. With hindsight, the design and implementation of the projects was not sufficiently adapted to the constraints in Suriname including:

- Limited capacity across the public sector including on project management, finance, and monitoring and evaluation (M&E). There were some exceptions to this as the projects in energy and water have benefitted from higher levels of technical competence within the state-owned utility companies.
- A specific aspect of capacity noted by CDB officials is the effect of low salaries on motivation levels for qualified and skilled professionals in the public sector.
- The political economy of the public sector in Suriname – which manifests in limited continuity between senior officials and low rates of cross-departmental cooperation – has also affected implementation in education and energy.
- Fiscal challenges precipitated by the current economic crisis have resulted in the government delaying/modifying scheduled payments to contractors in the water and education sectors.

At the level of the country programme and strategy, there was little evidence of performance monitoring to ensure oversight of the overall programme, although projects were monitored individually¹. This is a feature of how country strategies are used in CDB, and is a significant weakness as already noted in other OIE evaluations.

Meanwhile, given the differences in the social and political context in Suriname, compared with other Borrowing Member Countries (BMCs), CDB has also been going through a learning process on how to work, including overcoming the language barrier and, more importantly, developing experience of how the political system and government works. Suriname represents both an opportunity to learn how to work in a new BMC but also an example of where CDB needs to leverage other partners' expertise while it is becoming established.

The CSP identified gender equity as a key cross-cutting issue for CDB's engagement. It proposed mainstreaming gender issues across all areas of engagement through including appropriate gender analysis and collection of sex-disaggregated data in planning, implementation and M&E at project and sector levels. In practice, the strategy was only partially effective, due to implementation challenges in country.

¹ This is broader point than just how the CS was followed up. Monitoring here encompasses performance monitoring (via project and Portfolio reviews) and RMF monitoring (mid-term and country strategy completion report).

Coordination within CDB

Interviewees were not always able to give clear reasons why projects did not get underway as planned or have experienced delays, and the evaluation team infer that it was due to a combination of internal and external factors. However, one internal factor appears to be that the linkages between CDB's investment programme and policy engagement activities were more informal than systematic. The fairly limited available evidence suggests there was scope for CDB to take a more coordinated approach, both internally and with partners. What seems to be lacking is a structured approach for looking across the work done by the various implementing units and assessing how collectively they contribute to sectoral and portfolio wide issues. Ultimately this would be an opportunity to monitor progress towards the sectoral and broader outcomes at the level of pillars, as set out in the country strategy and results management framework (RMF). What is more evident instead is an approach which focuses on managing and monitoring progress at the individual project level without systematically considering the sectoral linkages. The necessary coordination to bridge this gap cannot be done by the Country Strategy coordinator role alone, as it would overload that role. The evaluation concurs with the assessment in the 2014 CSP document that in a new and challenging context there is merit in a strategic approach to leveraging all available knowledge and influence².

Risk assessment

Many of the risks identified in the CSP have in fact materialised, and rather more quickly and severely than had been anticipated. Flexibility was a key part of the intended risk management strategy, and CDB demonstrated its flexibility with its policy-based loan (PBL) to the energy sector. CDB did not choose to update the CSP, as might have been desirable given the clear shift in the risk environment from 2015/16. However, a high-level dialogue was part of the management approach. This was instigated through visits by the President and a delegation in 2015 and 2016. This had three objectives: i) to reaffirm CDB's continued commitment to the development of Suriname; ii) meet the new Minister of Finance and get his views on the Government of Suriname's development priorities and implications for CDB's CSP and iii) discuss the implementation and disbursement challenges in the CSP (2014-18). The President's visit in 2016 focused on the status of the International Monetary Fund (IMF) Programme and CDB PBL implementation and the performance of CDB pipeline of projects. The Economics Department (ED) country economist at the time participated in both missions. CDB officials have advised that in their view this led to an adjustment in the strategic approach, in practice, even if this was not documented more formally through an update of the CSP.

Selectivity was also an important potential way of mitigating risk, but the proposed programme was in fact relatively wide-ranging and perhaps, with hindsight, overly ambitious. CDB did recognise it was a bold programme and an alternative scenario was considered, where only 50% of the indicative envelope was disbursed, though specific priorities within that scenario were not elaborated.

Partnership

The CSP noted that leveraging existing knowledge of partners on the ground was an important means of managing the risk of entering a new and unfamiliar setting. In practice this was not followed through sufficiently although initial steps were taken - CDB does have a signed partnership agreement with the United Nations (UN) in Suriname and initial meetings were held to develop partnerships with IDB and Islamic

² See CSP Executive Summary para 6: "*Collaboration and Partnerships*: In the spirit of donor harmonisation and aid coordination, the engagement process with Suriname must seek to leverage existing knowledge sets on the ground in order to promote greater effectiveness and sharpen the development impact. This will require working closely with existing development partners in all sectors with joint interests."

Development Bank (IsDB). CDB was therefore left somewhat exposed as it faced the implementation challenges of limited institutional capacity and political economy issues, and the lack of Bank presence on the ground. There is a sense from evidence that CDB underinvested in this aspect of the strategy over the life of the CSP.

Meanwhile, interviews with the government have confirmed the primary importance of understanding how implementation works in practice, which requires some method of being continuously present either directly (not likely with CDB's current business model) or through partners and agencies who can represent CDB and share intelligence and expertise. The evaluation finds that partners such as the United Nations Development Programme (UNDP) and IDB had more understanding of how to build relationships and capacity with the government.

Evidence indicated that while individual CDB staff were very well-regarded and good relationships were established on an individual basis, effectiveness of the collaborative strategy was constrained in two respects. First, there was a lack of time for CDB staff to devote to engage with and support GOS counterparts to get things up and running, and second, the lack of a mechanism for visibility and hands-on engagement in Suriname itself in following up.

Conclusions and Recommendations

In summary, the CSP was relevant to the development needs of Suriname and the strategic rationale was sound. If anything, those development needs have increased as the country goes through a major economic crisis and living standards have fallen sharply. The case for Suriname's integration within the Caribbean Community (CARICOM) remains strong. Nonetheless, the implementation of its first country strategy ran into problems as it sought to learn how to operate and as the risk environment moved sharply and adversely. This remains a challenge going forward, particularly on the risk side.

The following recommendations are intended to respond to the challenges experienced during implementation of CDB's first country strategy in Suriname, leveraging partnerships and being more joined up internally.

1. The new country strategy should incorporate arrangements suitable to the challenges of building a stronger relationship with a relatively new borrowing member that has distinct cultural, linguistic, and political characteristics.

This report has set out a number of lessons from CDB's initial engagement over the 2014-2020 period. In formulating its second Country Strategy for Suriname, CDB should carefully consider those lessons and build in arrangements that would help to address the challenges of this relatively new Borrowing Member Country (BMC). These would include:

- Formal and effective partnership arrangements with other international agencies as well as local entities, to mitigate CDB's lack of on the ground presence. A roster of locally based technical/management experts might also be considered.
- An evolved country engagement model that bridges across sectoral teams and ensures country-level focus and follow-up.
- Recognition of governance and institutional capacity challenges, the impact these may have on project implementation, and the need for appropriate timelines, strategies and measures to address them. Success of project-based sector engagement depends on finding ways to recognise and overcome the capacity bottlenecks that affected implementation of the first CSP. There is significant opportunity to leverage IDB learning, and CDB may need to develop stronger links

with line ministries and statutory agencies, beyond those already established with the central economic agencies.

- Increased commitment to project cycle management training for all implementing institutions, including opportunities to learn from each other's experiences.

2. Facilitating Suriname's integration into the regional economy should be considered as a potentially important area for discussion when consulting with the Government of Suriname on priorities in the new Country Strategy. This report has noted that regional integration might be expected to feature prominently but was not seen as a priority in the first Country Strategy. Accepting that the choice of programme areas is ultimately driven by the government's own priorities, this is an area which merits full consideration, and CDB could highlight the potential benefits of leveraging its experience and networks.³

3. The cross-cutting theme of gender equality should feature both effective mainstreaming, as well as targeted approaches. In taking this forward, CDB should leverage its relationships with UN Women's multi-country office in Barbados, which supports gender capacity building in Suriname. The establishment by the Government of Suriname in 2019 of a new Gender Action Plan and Gender Vision 2021-35, along with other positive signals from the new administration, is a positive development. There are nonetheless important nuances in the national context and effective strategies will need to reflect deep understanding.

4. CDB should further invest in building its understanding of the new environmental law, to ensure readiness for resumption in capital project lending. The new environmental framework law, adopted in 2020, has important implications for how all investment projects are appraised and approved. Currently, IDB is engaging with the National Institute of Environment and Development in Suriname (NIMOS) to understand the issues and review alignment with multilateral development bank (MDB) standards.

5. CDB should ensure that its assistance in the agriculture sector is framed by a coherent set of objectives for strengthening the broader governance of the sector, as opposed to isolated projects. CDB should also consider whether to develop more strategic alliances in the agriculture sector, which offers significant potential although to date it has been accorded less national priority relative to the extractive industries. This could include, for example, building alliances with the Inter-American Institute for Cooperation on Agriculture (IICA), which has on the ground technical expertise, and building on earlier collaboration with the Food and Agriculture Organisation (FAO) Investment Centre.

6. CDB should revisit the current arrangement with the Ministry of Finance and Planning (MoFP) as the coordinator for Basic Needs Trust Fund (BNTF). After Suriname's first experience with BNTF during its 9th replenishment, there may be alternative institutional arrangements, more grassroots oriented, which would facilitate more effective implementation during BNTF10. For example, the Office of Planning ("Plan Bureau") a foundation which falls under MoFP, maintains a register of organizations and groups, strong links with other ministries and many organizations, and coordinates the implementation of projects on various themes, including poverty reduction and gender. Ensuring that the Bureau of Gender Affairs is involved will also be important.

³ In discussions on this report at draft stage it was noted that CDB does support aspects of regional integration in other ways, though indirectly, through facilitating regional cooperation/ regional projects/ working through CARICOM and with other regional agencies such as CDEMA, and Caribbean Export Development Agency.

Acronyms

ABS	General Bureau of Statistics
BMC	Borrowing Member Country
BNTF	Basic Needs Trust Fund
CALC	Country Assessment of Living Conditions
CDB	Caribbean Development Bank
COVID-19	Coronavirus disease
CSP	Country Strategy Paper
CSPE	Country Strategy and Programme Evaluation
CTCS	Caribbean Technology Consultancy Services
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
ECD	Early Childhood Development
GDP	Gross Domestic Product
GEPOS	Gender Equality Policy and Operational Strategy
GII	Gender Inequality Index
GOS	Government of Suriname
IDB	Inter-American Development Bank
ISDB	Islamic Development Bank
IICA	Inter-American Institute for Cooperation on Agriculture
IMF	International Monetary Fund
KKF	Chamber of Commerce and Industry
LAC	Latin America and Caribbean
MDB	Multilateral Development Bank
MDG	Millennium Development Goal
MTR	Mid Term Review
NIMOS	National Institute for Environment and Development in Suriname
OECS	Organisation of Eastern Caribbean States
PFM	Public Financial Management
RMF	Results Management Framework
SD	Selective default
SRD	Surinamese dollar
TA	Technical Assistance
TVET	Technical and vocational education and training

Contents

EXECUTIVE SUMMARY	II
1 INTRODUCTION	4
1.1 Background.....	4
1.2 Evaluation Methodology	4
1.3 Report Overview.....	6
2 CDB SUPPORT TO SURINAME.....	7
2.1 Introduction.....	7
2.2 CDB Support	7
2.3 CDB Support by Sector	8
2.4 CDB Support by Cross-cutting Area	9
3 COUNTRY CONTEXT	11
3.1 Overview.....	11
3.2 IFI/Donor context	16
4 CDB PROGRAMME MANAGEMENT	18
4.1 Introduction.....	18
4.2 Country Strategy and Programme Management.....	18
5 PERFORMANCE.....	3
5.1 Introduction.....	3
5.2 Relevance.....	3
5.2.1 Overview	3
5.2.2 Relevance to Suriname’s development challenges.....	3
5.2.3 Relevance to CDB’s mandate.....	8
5.3 Coherence	9
5.3.1 Overview	9
5.3.2 Coordination with other development partners (DPs).....	9
5.3.3 Coordination between CDB units.....	10
5.4 Effectiveness.....	11
5.4.1 Overview	11
5.4.2 Outcomes and progress towards outcomes	12
5.4.3 Sustainability of Outcomes	16
6 CONCLUSIONS	16
6.1 Adapting to changing economic conditions.....	16
6.2 Implementation challenges	17
6.3 Limitations of a project-based approach.....	19
6.4 Continuing relevance of the CSP	19

7	RECOMMENDATIONS	20
8	MANAGEMENT RESPONSE	22

Annexes

ANNEX A: TERMS OF REFERENCE.....	1
ANNEX B: LIST OF INTERVIEWEES.....	11
ANNEX C: LIST OF DOCUMENTS REVIEWED.....	13
ANNEX D: EVALUATION MATRIX.....	15

Figures

Figure 1: Suriname GDP growth and inflation.....	12
Figure 2: GDP per capita – current prices	13
Figure 3: Internal and external balance	14
Figure 4: Average duration of project implementation	18
Figure 5: Implementation experience - major active loans and grants.....	19
Figure 6: Suriname CSP: TA commitments - disbursement status	20
Figure 7: Suriname CSP: project commitments - disbursement status	20
Figure 8: Potential risks and mitigation measures.....	7
Box 1: CSP on collaboration with Government Counterparts.....	18

Tables

Table 1: Indicative areas of CSP Support.....	9
Table 2: Mapping of CSP to the Suriname National Development Plan 2012-16	4
Table 3: Summary of CSP 2014-2020 implementation and effectiveness.....	14

1 Introduction

1.1 Background

This Country Strategy and Programme Evaluation is the first that the Office of Independent Evaluation (OIE) is undertaking for Suriname. It is intended to:

- Provide a baseline on the performance of Bank programming in Suriname, particularly as the current Country Strategy (CS) (2014-18) is due for a renewal
- Examine the extent to which the programme made progress in achieving its outcome targets and the factors that affected the programme's implementation and sustainability of the results achieved.
- Provide critical thinking on CDB's experience of operating in Suriname since 2014 and draw lessons and recommendations that may be used to improve the development effectiveness of CDB's future strategy and programming.
- Enable CDB to consider its strategic choices in Suriname, facing a substantially changed operating environment, a different risk profile and likely demand for a different type of engagement from CDB.
- Contribute to CDB's thinking on the approach to developing Country Engagement Strategies for new Member Countries.

The Terms of Reference for the evaluation are attached at Annex A, while those interviewed, and documents consulted are listed in annexes B and C.

The primary audience for the evaluation's findings are those charged with designing CDB's next country engagement strategy (CES) for Suriname, and project teams in the relevant sectors. General lessons will also be of interest to senior management and the Board of Directors.

1.2 Evaluation Methodology

The evaluation is utilization-focused, based on the Evaluation Cooperation Group⁴ Good Practice Standards for Country Evaluations although somewhat streamlined to fit with CDB's requirements and to accommodate the practical implementation challenges posed by the current economic crisis in Suriname.

The evaluation used a mixed-methods approach, combining qualitative analysis from document review and key informant interviews and quantitative analysis of administrative/financial data. In drawing findings and conclusions from the evidence, the evaluation used triangulation from different sources and thematic analysis to synthesise across the multiple sources of evidence. The qualitative approach overall was appropriate given the scope of the exercise and limitations in performance data available.

The evaluation was initiated in October 2020 with a three-week inception phase to finalise the design, data sources, main areas of focus and proposed workplan. An eight-week implementation phase was originally scheduled, running from December 2020 to January 2021. In practice, the pandemic and economic crisis in Suriname limited availability of key stakeholders in Suriname for interview. Consequently, the evaluation's implementation phase was extended to April 2021. Against the background of the global pandemic and associated travel restrictions, the evaluation was conducted

⁴ ECG is a network of independent evaluation units of the IFIs, which shares and develops good practices in evaluation.

entirely remotely, using internet-based communication platforms or phone calls when internet communication proved difficult.

The main evaluation tool was the evaluation matrix, (see Annex D) structured in the normal way around the key evaluation questions finalised during the inception phase and five evaluation criteria: relevance, coherence, efficiency, effectiveness, and sustainability.

EVALUATION SCOPE

The evaluation was designed to serve both accountability and learning purposes, in determining how Bank interventions performed and the lessons that can be drawn to inform Bank operations in the future. It does not provide summative ratings for CSP criteria or Bank performance. Instead, it focused on identifying strengths, weaknesses, lessons, opportunities, and risks.

The evaluation was focused on CDB's implementation of the Country Strategy for Suriname (2014-18) but activities undertaken during the period after expiry of the CS (from January 2019 to December 2020) were also considered.

Given the limited number of activities, all were included in the evaluation. Greater attention was given to larger CDB investments in the energy and education sectors but smaller CDB funded activities (for example under BNTF 9 and by the CTCS) were also examined. To maximize learning for CDB, proposed Bank activities that did not take place were also investigated, to determine as far as possible the reasons for lack of progress.

LIMITATIONS

There were four main constraints that affected evaluation implementation, though not the validity of the overall conclusions.

- Economic crisis in Suriname: this limited the availability of key government stakeholders in Suriname for interview. In response, the evaluation period was extended to provide as large a window of opportunity as possible for local stakeholders to participate, and interviews were conducted remotely. Not all key informants could be reached. This undoubtedly limited the richness of evidence, but it is not felt to have affected the accuracy of conclusions, given the consistency of messages heard across interviews. In one area, education, it would have been useful to have more interviews, and this was noted by CDB officials in commenting on the findings of this evaluation as a significant limitation.
- Limited implementation of the CSP: in practice, only a small proportion of activities envisaged in the CSP were initiated and almost all were subject to delays. This in turn limited what the evaluation could say about effectiveness and sustainability.
- Relatively limited base of available CDB performance data: Slow implementation progress meant there were no project completion or evaluation reports available. Project supervision reports and annual reports on the overall CDB portfolio were a main reference, but these provided limited evidence on outcomes and performance. The CS results monitoring framework was not tracked and the planned mid-term review of the CS did not take place. This in turn limited the level of detail possible during analysis and required the evaluation to rely more heavily on perceptions of key informants.
- Global pandemic: this meant that the entire evaluation was conducted remotely, with no face-to-face interviews or site visits. The inclusion of a regionally based, native Dutch speaking evaluator familiar with Suriname helped mitigate this risk. In addition, care was taken during remote interviews to build trust and rapport, through use of video as well as audio and sensitive questioning.

1.3 Report Overview

The following section (Section 2) outlines the Suriname CSP 2014-18 and CDB support to Suriname (2014-20). Section 3 sets out the context for CSP implementation and for the current deliberations regarding Suriname's economic recovery. Section 4 presents the findings with respect to CDB programme management – the evaluation's efficiency criterion – while section 5 considers performance against the remaining evaluation criteria: relevance, coherence, effectiveness and sustainability. The main conclusions for CDB are summarised in section 6 under four areas for attention: adapting to changing economic conditions; implementation challenges; limitations of a project-based approach; and the continued relevance of the CSP. Section 7 presents the evaluation's recommendations.

2 CDB Support to Suriname

2.1 Introduction

Suriname gained its independence from the Netherlands in 1975 and joined the Caribbean Community (CARICOM) in 1995. It is one of the newest borrowing members of CDB, having joined in 2013. The rationale for Suriname's membership appears to have been strong for both parties. A CARICOM member and coastal economy, Bank membership offered Suriname a means of furthering its economic integration in the region. For CDB, Suriname had a strong economy at the time with significant potential for growth and a somewhat different economic base compared with other BMCs. Its membership therefore supported CDB's efforts to expand its borrowing membership and diversify its loan portfolio. Suriname was also attractive to CDB in terms of risk profile, thanks to tight fiscal management by the government at the time and low and controlled debt-to-GDP ratios.

2.2 CDB Support

The 2014-18 CSP was the first between Suriname and CDB, coming quickly after Suriname joined as a full BMC in December 2013. The 2014-18 Country Strategy Paper was written at a time when the economic context in Suriname was relatively favourable. While recognising Suriname's vulnerability to adverse commodity price movements, CDB Board papers painted an overall positive picture which focused on the country's economic progress and potential.

The CSP identified a preferred indicative envelope of USD267 mn, including USD10 mn under the Special Development Fund 8 allocation for Suriname and a grant component of USD3.3 mn. However, the Paper acknowledged the need for flexibility given a number of potential constraints:

- technical capacity limitations in key ministries that might hinder project preparation and execution;
- CDB's relatively limited country knowledge and experience;
- absence of a Bank presence in-country to support the project cycle process; and
- the possibility of adjustments if GOS was able to access other sources of project financing.

As a result, the CSP allowed for an alternative scenario which assumed only 50% of the indicative envelope.

In practice, CDB commitments approved during the CSP period amounted to USD170 m or 64% of the indicative CSP envelope. USD50 mn of this was a policy-based loan provided in response to the economic crisis in 2015-16, which had not been anticipated in the CSP design.

Since the end of the CSP period in 2018, two activities have been approved – a loan to support the Government's COVID-19 emergency response (USD8.2 m fully disbursed over 2020-21) and a small grant under the CTCS (USD0.05 m). Suriname has experienced a further, significant macro-economic downturn, compounded by the global pandemic. As a consequence of its deteriorating external debt position and credit downgrade, CDB decided to provide no additional (net) lending until an economic recovery plan is put in place.

Table 1: CDB commitments during and post CSP 2014-18

		Approvals (USD m)	
		2014-18	Post-2018
	Loans (total)	167.3	8.2
	<i>OCR</i>	<i>156.5</i>	
	<i>SDF</i>	<i>10.7</i>	<i>8.2</i>
	Grants (total)	2.7	0.05
	<i>Including: BNTF</i>	<i>0.8</i>	
	<i>CTCS</i>	<i>0.2</i>	<i>0.05</i>
	<i>CSME</i>	<i>0.3</i>	
	TOTAL approvals	170.0	8.2

2.3 CDB Support by Sector

The CSP 2014-18 for Suriname, brought to the CDB Board of Directors on 17 July 2014, was structured following the four pillars of the Suriname National Development Plan (2012-16): economic sustainability, social sustainability, environmental sustainability, and good governance. Within those, indicative allocations suggested economic diversification, infrastructure, education and flood risk management as the main areas of investment envisaged (see Table 2).

While approved commitments broadly followed the planned allocations, notable deviations were observed:

- under economic diversification none of the anticipated loans were approved. However, CDB did approve a TA for MSMEs and one for the agriculture sector (plus CTCS support). The targeted line of credit could not be taken forward due to the effect of the 2015-16 economic crisis.
- under the environmental sustainability pillar none of the anticipated loans were approved.
- the CSP indicative allocation for good governance (less than 1%) hugely increased with the approval of the policy-based loan.
- approved programming under the social sustainability pillar was also relatively low, at 13.6% of the total approved allocation, compared with the 23.9% of the indicative allocation.

Table 2: Indicative areas of CSP Support

		Indicative Allocation (USD m)			Approved Allocation (USD m)		
		Loan	Grant	%	Loan	Grant	%
	Promoting Economic Sustainability:			58.7%			56.7%
	Economic Diversification	45.0				0.6	
	Capacity Building (CTCS)		1.0			0.2	
	Infrastructure Development	110.5			95.3	0.3	
	Promoting Social Sustainability:			23.9%			13.6%
	Enhancing Education Outcomes	60.0			21.9		
	Participatory Rural Development	3.0				0.9	
	Gender Mainstreaming		0.2				
	Citizen Security		0.3			0.3	
	Country Poverty Assessment		0.3				
	Promoting Environmental Sustainability:			17.3%			0%
	Sea Defense Infrastructure (with Country Assessment of Living Conditions - \$0.5m)	45.0	0.5				
	Environmental/Climate Resilience Mainstreaming		0.7				
	Promoting Good Governance:			0.1%	50.0	0.4	29.6%
	Project Management Capacity and MfDR		0.3				
	TOTAL	263.5	3.3		167.3	2.7	
		98.8%	1.2%		98.4%	1.6%	

2.4 CDB Support by Cross-cutting Area

GENDER EQUALITY

The CSP identified gender equity as a key, cross-cutting issue for CDB's engagement and committed to including appropriate gender analysis elements and sex-disaggregated data collection in planning, implementation and monitoring and evaluation (M&E) at the project and sector levels. In so doing, CDB planned to pay special attention to the sufficiency of budgets in this respect, to ensure gender analysis was conducted throughout the project cycle, including: (i) situation analyses, appraisal and supervision reports; (ii) project completion reports and evaluation exercises; and (iii) baselines, indicators and targets disaggregated by sex.

In addition to supporting gender analysis for each sector where CDB was active, the CSP also included a specific indicative grant (USD0.2 m) to help GOS improve gender mainstreaming capacities within ministries. In practice, this grant opportunity was not taken up by the Government.

ENVIRONMENT

The CSP identified environmental sustainability as a separate pillar of the Strategy, rather than a cross-cutting issue. The CSP proposed a blend of assistance including:

- Loan to support the development of sea defence infrastructure (alongside a grant to support a country assessment of living conditions, under the governance pillar of the CSP)
- Grants to support environmental/climate resilience mainstreaming including:
 - an overall review and assessment of key environmental policies, legislative and regulatory frameworks necessary to effectively mainstream environment, disaster risk management (DRM) and climate resilience issues;
 - initiatives promoting community disaster risk reduction (DRR) and climate resilience;
 - Assistance in mobilising climate financing and other financing modalities;
 - Vulnerability assessments in critical sectors and/or areas and implementation of critical infrastructure investments and associated relevant adaptation measures.

In practice, none of the anticipated activities were initiated during the CSP period, though more recently CDB has been exploring assistance to Suriname in accessing international climate funds. More broadly, CDB invested in energy efficiency while adhering to environmental safeguards.

REGIONAL COOPERATION AND INTEGRATION

The CSP made no explicit reference to regional cooperation and integration. This is somewhat surprising given that part of Suriname's motivation for joining CDB was to further its economic integration in the region. There were, however, TA interventions in the Caribbean Single Market and Economy (CSME) and Economic Partnership Agreement (EPA) facilitating Suriname's regional integration which were prior to or contemporaneous with the CSP.

3 Country Context

3.1 Overview

ECONOMIC AND FINANCIAL CONTEXT

Suriname is an upper middle income small coastal state with a population of 590,100. It is relatively rich in mineral and living natural resources and places in the high human development category (98 out of 189 in 2018) of the UN. Its potential for future economic and social development has been acknowledged and is discussed below, yet it is highly vulnerable to external shocks, as shown all too clearly by recent economic crises, exacerbated by the effect of COVID-19. The country faces ongoing structural and development challenges.

Suriname gained its independence from the Netherlands in 1975 and joined CARICOM in 1995. It is one of the newest borrowing members of CDB, having joined in 2013. While this provides a platform for looking more towards its island neighbours, the country remains relatively isolated from the Caribbean region in economic terms, a legacy partly of its Dutch colonial heritage, language, and legal system. Its considerable natural resources include arable land, minerals, and rich and diverse ecosystems, offering potential for economic and social development if various obstacles can be addressed and greater regional integration achieved.

When the first CDB country strategy (2014-18) for Suriname was written, the economic context was relatively favourable. The Board papers painted an overall positive picture of progress made and future potential. For example, while noting the lack of diversification and other constraints for economic and social development, Suriname was described as a country which had “made significant development strides in a relatively short time frame” with an expectation of “anchoring growth on a platform of deep structural reforms.”

The impact of the global financial crisis was thought to have been relatively modest. The country had after all been one of the fastest growing in the Region, benefitting from strong commodity prices. Senior staff who were involved in discussions on Suriname noted its good credit rating at the time and opportunity for diversification of CDB’s lending base. Monetary conditions were described as having been “favourable with strong credit growth, falling lending rates and a liquid and profitable banking system. The financial sector on the whole is assessed as stable and sound.”

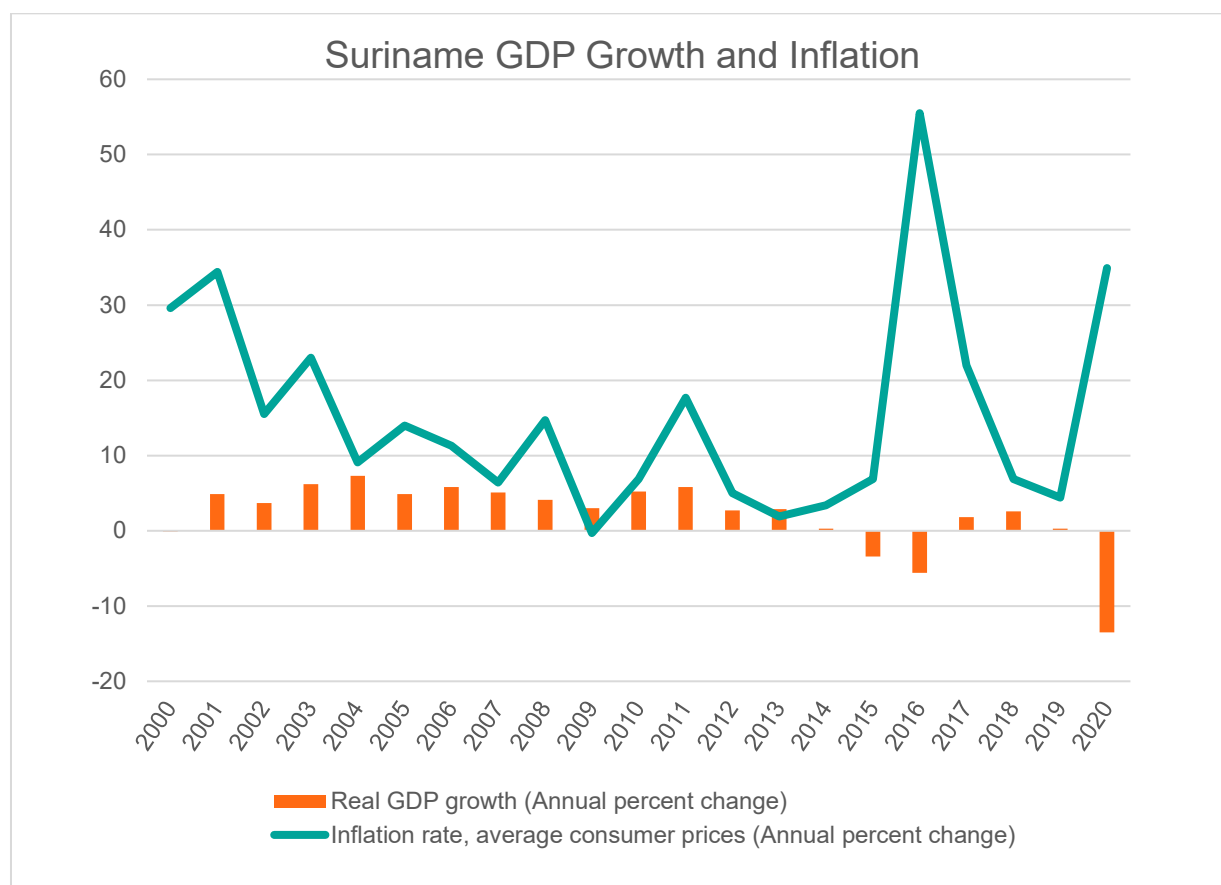
Since then, and perhaps relatively soon after the CSP was approved, the economic situation deteriorated sharply. There have been recurrences of the cyclical shifts in the economy – driven partly by commodity price changes - which have been a feature of the Suriname experience over many decades. In 2015-16, as commodity prices weakened, there was a sharp recession, and a deterioration in the exchange rate, fiscal position and external balance. Suriname needed support from the IMF, as well as CDB and IDB.

The 2015-2020 government led by the National Democratic Party (NDP) had limited success in delivering on key reforms such as reducing fuel subsidies. The new government (2020-25, a coalition led by the Progressive Reform Party -VHP) which came into power in July 2020 is grappling with the unenviable task of stabilising the economic situation and addressing shortages in reserves and a major ‘fiscal gap’. This involves making important decisions on public spending, finding revenues to pay public sector workers, dealing with COVID-19, and considering how much-needed economic and social reforms can be restarted.

This severe economic crisis has of course been exacerbated by COVID-19. After falling by around 8.5% in the recession of 2014-16, then recovering somewhat, real GDP is estimated to have stagnated in 2019 and fallen by 13.5% in 2020. The latest forecast from the IMF is that growth will be around 0.7% this

year, improving slowly thereafter. Inflation reached 61% at the end of 2020 and is expected by the IMF to be 40.5% by the end of 2021 before staying in double digits for several further years.

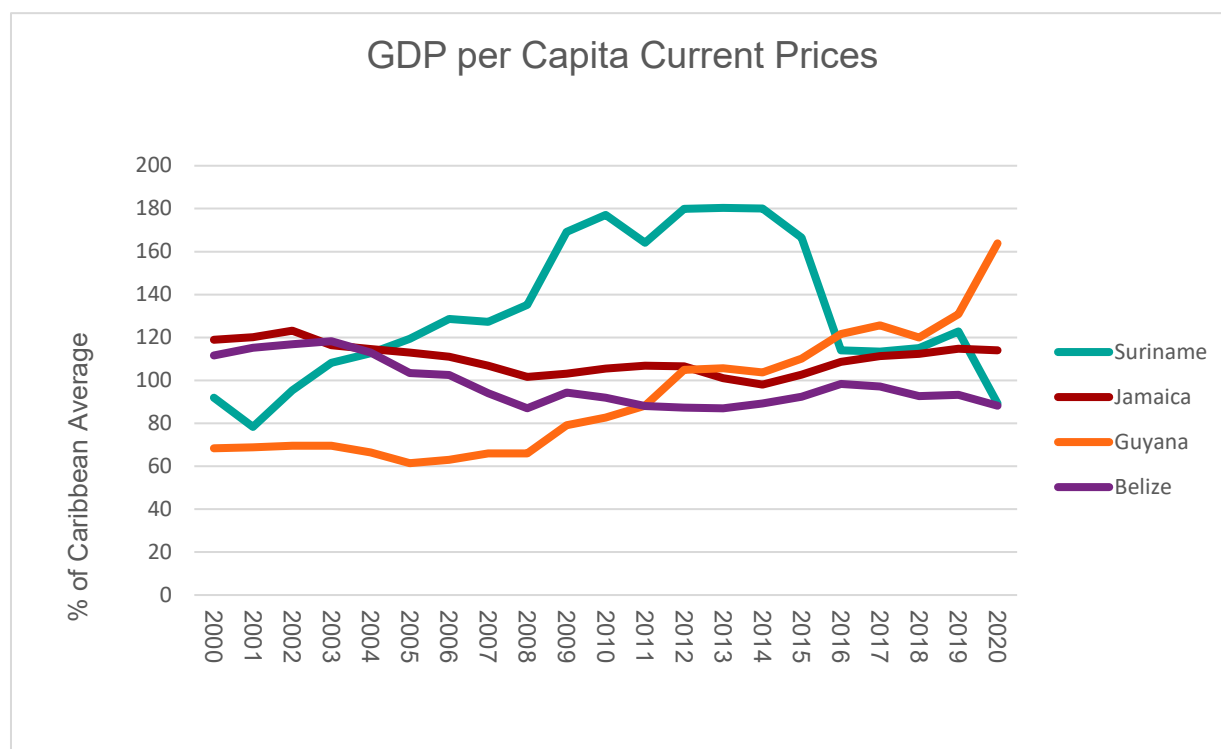
Figure 1: Suriname GDP growth and inflation⁵



GDP per capita (current prices) fell by more than half from \$9,379 in 2014 to just under \$4,000 in 2020. At the time the evaluation was conducted, Suriname was only just above the World Bank's threshold for Upper Middle Income and since then has moved into the Lower MIC category. In six years, per capita income in USD terms has fallen from around 180% of the Caribbean average to 89% and is likely to go down further to around 79% of the regional average in 2021. The fall in purchasing power parity terms is smaller, but nevertheless has impacted living standards and may lead to social unrest, in a country with significant poverty and disparities between the urban and hinterland areas. Unemployment has increased to 11.3% in 2020, having averaged around 7.5% over the period 2010-19.

⁵ IMF World Economic Outlook

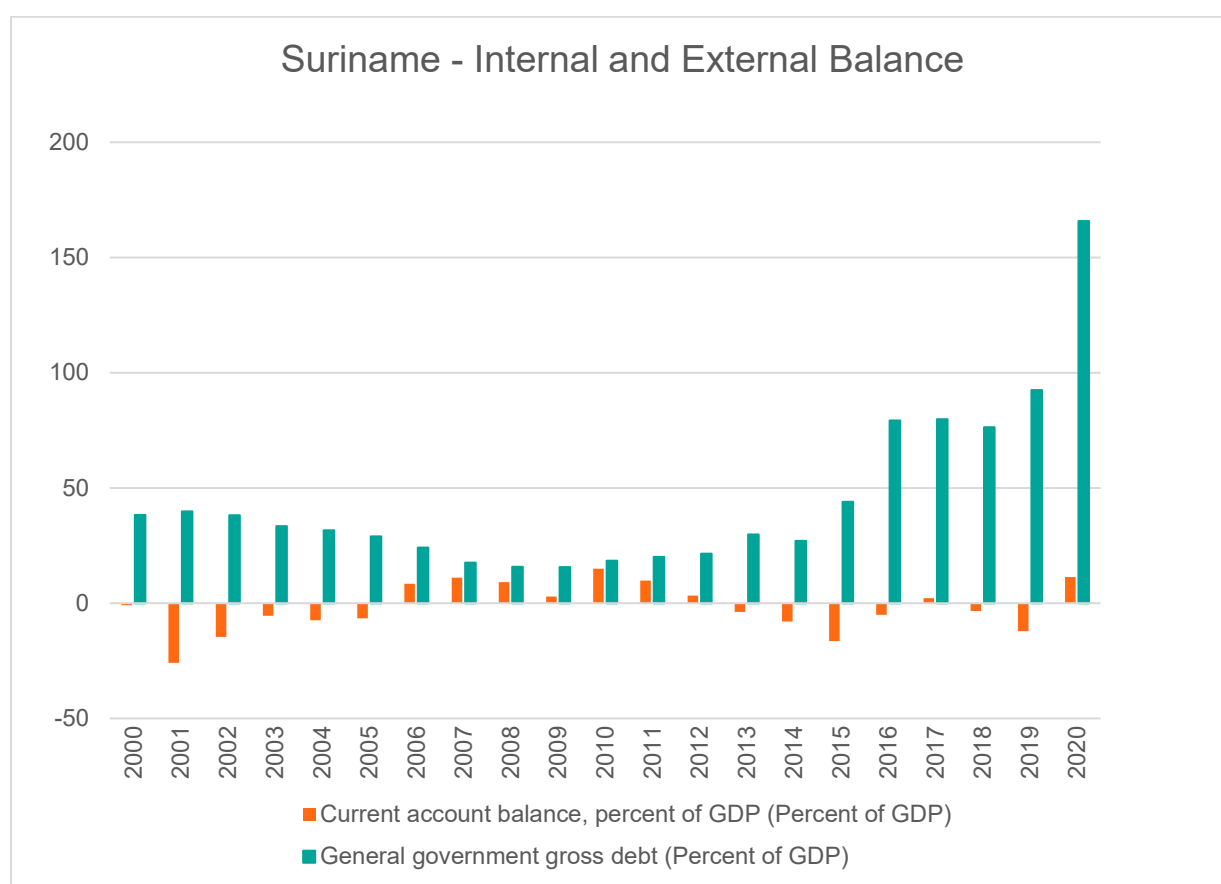
Figure 2: GDP per capita – current prices⁶



The external debt situation has deteriorated sharply, and the new government has begun consultations with creditors. Principal payments were waived until July 2021 and the government sought a delay on its interest payments on sovereign bonds pending discussions on a support package with the IMF. The IMF estimates that general government debt increased to 165.8% of GDP in 2020. This is the highest level of government indebtedness of all CDB's BMCs. (Barbados (149%) is on an IMF program and Belize (127%) is in discussion on one.)

⁶ IMF World Economic Outlook

Figure 3: Internal and external balance⁷



In March 2020 the credit rating for Suriname fell sharply to CCC (extremely speculative), and then subsequently to SD (selective default). By comparison, it was at BB (non-investment grade speculative) around the time that it joined the CDB. The new government reached an initial agreement with creditors in November 2020 for a delay in interest payments on its key bonds until the end of March, pending discussions with the IMF. This deadline was very recently extended to end of April as discussions were continuing.

One of the key drivers of inflation and the deterioration in living standards during this period has been the exchange rate which fell from SRD3.35 per USD1 in 2015, to SRD7.52 per USD1 in 2016 and to SRD14.15 since March 2020. The central bank moved to unify the official exchange rate with the market rate in September 2020.

One brighter spot is that the current account balance which had deteriorated sharply in 2019 to a deficit of 12.1% of GDP has improved to a surplus of 11% in 2020 as domestic demand fell during the pandemic and the gold price strengthened. This is a key indicator given the difficulty that Suriname has had in short-term financing as foreign currency reserves have been depleted.

SOCIAL CONTEXT

Gender. Although progress had been made in the area of gender equality, women in Suriname still faced significant challenges at the start of the CS. The country's Gender Inequality Index (GII) for 2012 was 0.467, which resulted in Suriname being ranked at 94th out of 148 countries. Achievement in the area of education, with about 40% of women having attained secondary level education or higher, was below the

⁷ IMF World Economic Outlook

average of 50% for the Latin America and the Caribbean region. The adolescent fertility rate at 35 births per 1,000 live births was favourable, being below the regional average of 71. However, there was room for improvement in other areas. The proportion of seats in the National Assembly held by women (12%) was half the regional average of 24% and about 130 women died from pregnancy for every 100,000 live births which was much higher than the regional average of 74. Female labour force participation (41%) was low when compared with male labour force participation (69%), and was also below the regional average of 54%. On the basis of these indicators, the United Nations in the 2012-16 UNDAF concluded that “women are not empowered to compete in the labour market on an equal footing and [are therefore impeded in reaching] their full socio-economic potential.”

Poverty Assessments. Suriname does not use the poverty line of USD1.90 per day to measure the proportion of the population who are poor. However, it is widely accepted that the population of the interior bears a disproportionate burden of poverty and associated risks compared to the population of the urban coastal areas. Poverty in Suriname is seen as a multidimensional issue which has to be addressed by both state and non-state actors. A useful report on multidimensional poverty concludes that about 16,000 people are in multidimensional poverty (2.9% of the population) while 0.4% of the population or about 2200 people are in severe multidimensional poverty and 4.0% of the population is vulnerable to multidimensional poverty (or 22,000 people). The contributors to the deprivation are mainly lack of education (44%), low standard of living (36%) and poor health (20%).”⁸ The country acknowledges the challenge of translating economic growth into human development and poverty reduction and planned to ‘focus on the increase of decent and productive employment, reducing economic and social inequalities as its main goal’ (Ministry of Foreign Affairs & General Bureau of Statistics (ABS), 2014). While the Maroon and indigenous Amerindian populations living in the interior are noted by many as the most vulnerable, other vulnerable groups are women, children, persons with disabilities, teenage mothers, the elderly, and youth living in the urban ghettos.

Changes in cost of living and the impact of the pandemic. The cost of living has increased significantly over recent years. During 2017, a 25% jump in the cost of living was reported, partly due to the removal of subsidies for electricity and water supply (which increased by 100% but remained subsidised to a degree). More recently, the COVID-19 pandemic has resulted in job losses and decreased GOS revenue. Depreciation and devaluation of the Surinamese Dollar (SRD) has also contributed to the social challenges: currently, there are various rates of exchange in operation, with an official rate against the USD of about 7.45, an exchange rate of 14 per USD and a street rate up to 19-20 per USD.

ENVIRONMENTAL CONTEXT

In 2014, Suriname had a plethora of dated draft environmental legislation and regulations, pending recently approved environmental policies and other instruments that are under development or still subject to parliamentary review before being enacted in legislation. The adequacy of these with respect to regional development and sector policies required elaboration of key spatial, environmental sustainability and climate resilience objectives. The CSP for Suriname 2014-18 flagged a range of environmental concerns and sought to assist GOS in strengthening the framework for more robust environmental management.

The CSP rightly called for special attention to be given to solid waste management, chemicals management and renewable energy, as well as sustainable water, nature, land and forest management. Against this backdrop, GOS highlighted the need to make appropriate changes to the Spatial Planning

⁸ http://hdr.undp.org/sites/default/files/2020_mpi_report_en.pdf

Act, as well as strengthen the Land Registration and Land Information System in an effort to guide orderly development across the country (Section 1.38).

Suriname is the greenest country on earth in terms of forest cover but faces human resource and budget constraints to address environmental and climate-related challenges. Overall, there appears to be political support in Suriname for sustainable development. The new Government, in place since July 2020, has established the Ministry of Spatial Planning and Environment; this seems likely to strengthen environmental management.

Agricultural development is closely linked to environmental management. Suriname has significant untapped agricultural potential and does not face the same constraints on land or water resources as other BMCs. However, with the exception of fisheries and rice production, the sector is highly disorganised and characterised by under-investment. Limited use is made of modern production methods while post-harvest storage and processing are under-developed. Institutionally, the sector is weak. Ministry of Agriculture is under-resourced and private sector producer organizations are generally weak. The sector lacks consistent, coherent policies and strategic investment, neglected in favour of the mining sector.

POLITICAL CONTEXT

Suriname has a pluriform multi-party system. There is a framework of a representative democratic national assembly (DNA) and an executive, whereby the president of Suriname is the head of state as well as head of government. Executive power is exercised by the government.

Through national elections in 2010, the National Democratic Party (NDP) under leadership of Desi Bouterse became the largest political party in parliament. They remained in power after the elections in 2015. In 2020, the Progressive Reform Party (VHP), led by Chan Santokhi, became the largest party in parliament.

The Government consists of the President, the Vice President and the Ministers. An important difference with the Westminster-system of other Caribbean countries is that parliamentarians do not form the Government – instead they elect the President and Vice President for five years. The elected President chooses the (non-elected) Ministers. Traditionally, patronage has played a significant role in Surinamese politics. This has effects on how policy is formulated and the extent of collaboration across government. A feature of the Bouterse cabinets 2010-2020 was frequent reshuffling of ministers: a total of 58 ministers passed through the system during those years.

The new Government of President Santokhi faces a number of challenges and opportunities, including dealing with the economic and social effects of the pandemic and a severe recession, addressing the economic crisis and debt restructuring, the chance to re-establish relationships with the EU and the wider international system, and tackling crime including drug, weapon and human trafficking among others, while also managing other risks such as corruption around natural resource use.

The Government is the main employer in the country and there is a relatively large public sector. Updating skills and capacity in the public sector is a key issue. Well-trained civil servants and complementary inputs are particularly scarce, and motivation among public servants is low, mainly because in the past resources have been used to expand employment opportunities for less skilled civil servants.

3.2 IFI/Donor context

Since 2012 when its assistance treaty with the Netherlands was suspended, Suriname has engaged with a broader range of multi- and bilateral external development partners to meet its development financing needs. The principal multilateral partners include: Inter-American Development Bank, European

Commission, the Islamic Development Bank (IsDB) and UNDP. At the time of CSP development, the World Bank was exploring opportunities for re-engagement with Suriname following a hiatus of nearly 30 years. The IMF provides advice on macroeconomic issues via its Article IV reviews and in 2016 entered a Stand-by Agreement with Suriname in response to the macroeconomic crisis experienced at that time. The Agreement was subsequently cancelled by GOS when Suriname's external indicators stabilised. Renewed discussions are on-going with the IMF in response to the current economic crisis.

China (infrastructure) represents the largest bilateral donor, while Brazil (agriculture), France (social, economic and environmental linkages with French Guiana) and India (agriculture) are also active.

The IDB Group is Suriname's most important development partner and largest source of multilateral financing. At the time of the CSP design, IDB accounted for about 15% of external financing and around 90% of the country's total multilateral financing, with average annual approvals of USD73.34 mn from 2011 to 2015 across ten sectors. Since 2014, IDB has approved more than 60 activities in Suriname amounting to over USD450 mn, with significant commitments in energy, agriculture, education, transport, and public sector reform.

Suriname joined the Islamic Development Bank (ISDB) in 1997 and has received more than USD120 m in financing, with particular focus on the health, transport, and education sectors.

4 CDB Programme Management

4.1 Introduction

CDB's implementation experience in Suriname has been mixed. On the one hand, approvals (loans and grants) represent 64% of the \$267 mn envisaged in the CSP. This is well above the 50% lower bound scenario identified by the CSP as possible, given the newness of the engagement. The 2016 loan for the upgrade and expansion of the electricity system was at the time CDB's largest ever investment loan with any BMC. As a result of the CSP investments, Suriname has become the sixth largest BMC in CDB's credit exposure.

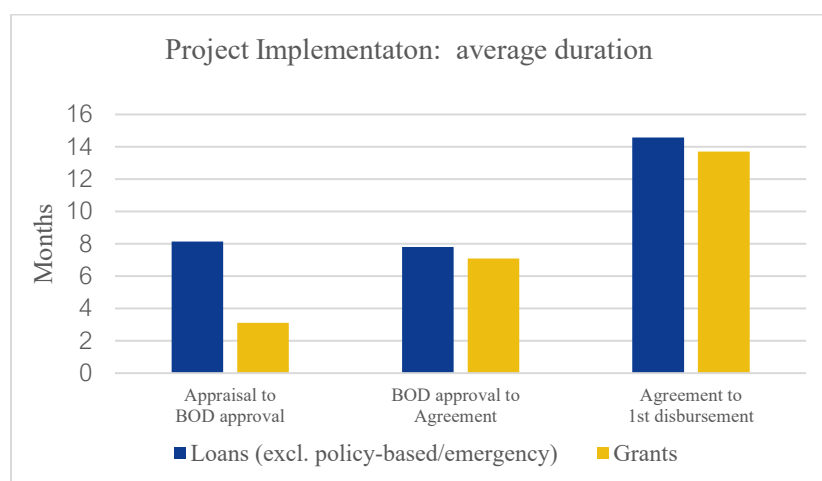
That said, all approved projects (excluding policy-based and emergency loans) have suffered delays, while two approved grants have not progressed to first disbursement despite extensions and may yet be cancelled. Excluding the policy-based and COVID-19 emergency loans, average disbursement of active projects is currently only around 20%.

4.2 Country Strategy and Programme Management

CDB has faced implementation challenges in almost all aspects of its operations in Suriname. In response to the economic crisis that emerged shortly after the start of the CSP, CDB demonstrated commendable flexibility in providing a policy-based loan in the energy sector (there was a common policy matrix with IDB, although the financing was done in two independent transactions) – an intervention not envisaged at the time of CSP design. More recently, CDB also provided a loan to support GOS' emergency response to the COVID-19 pandemic. Both these took an average of just three months from appraisal to first disbursement.

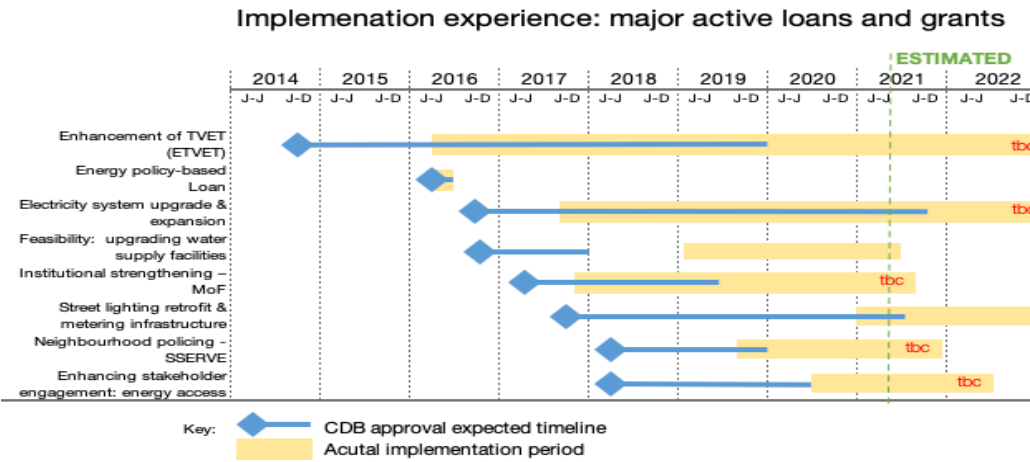
However, beyond the policy-based and emergency loans, slow implementation and disbursement have been commonplace across the portfolio. The average time from appraisal to BOD approval for loans was eight months and for grants three months. During the review period, ten loans and grants received BOD approval. Of these, seven progressed to disbursement, taking an average of nearly 21 months from BOD approval to reach first disbursement, compared with an average across the CDB of between 12-18 months. Performance between loans and grants did not differ significantly in this regard (figure 4), although a TA grant to the Central Bank of Suriname in 2016 was fully disbursed. Three approved projects are yet to make any disbursement.

Figure 4: Average duration of project implementation



As a result of delays in initiating projects, all major loans and grants are still active, with a number of significant time overruns (figure 5):

Figure 5: Implementation experience - major active loans and grants



Disbursement rates have also reflected these challenges (figures 6 and 7):

Figure 6: Suriname CSP: Project commitments - disbursement status

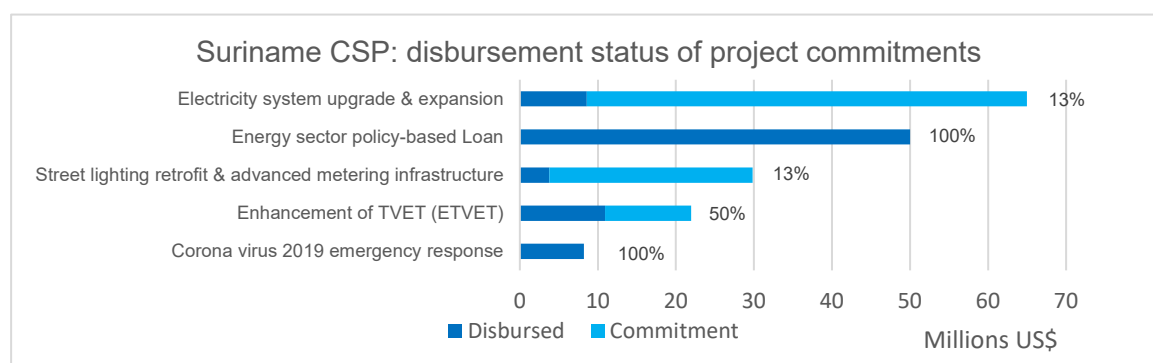
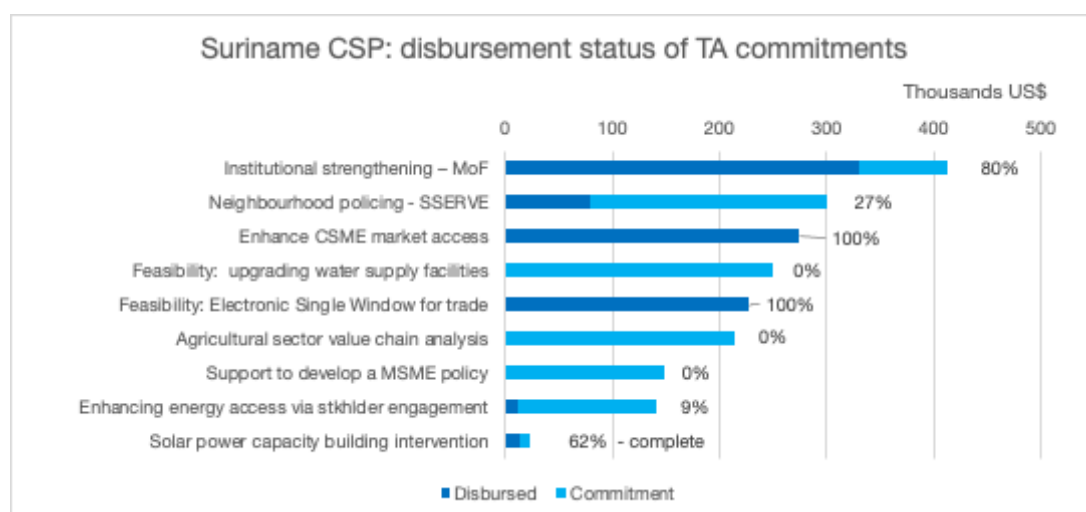


Figure 7: Suriname CSP: TA commitments - disbursement status



Disbursement experience under the facilities of BNTF 9 (\$0.8m) and the CTCS (\$0.2m) has been better but mixed nonetheless, with 24% and 62% of commitments during the review period disbursed to date.

It is notable that in addition to implementation/disbursement delays for on-going activities, CDB has encountered challenges getting agreed projects underway - notably two grant-funded TA activities (agricultural value chain analysis and MSME review and policy development). At the same time, converting GOS demand for CDB support (as expressed in the design of the CSP) into proposals has also proved difficult in a number of areas, with limited uptake of CDB's offer.

Undoubtedly the challenging operating context in Suriname has been a factor affecting programme delivery. For CSP elements not taken forward, challenges in securing collaboration across the public sector in Suriname may have been a contributing factor where cross-departmental effort within GOS was required, such as economic diversification and the environment. Disruption arising from shifting responsibilities between agencies was also an important factor hindering efforts to establish counterpart relationships in the social sectors. For instance, poverty assessment, which was originally under the President's Office, moved to the Ministry of Social Affairs and Housing, then on to the Planning Office.

Changes in key GOS personnel and the resulting break in continuity of relationships were also a factor explaining the loss of momentum on some proposals. Among those active projects experiencing delays, limited capacity in the Surinamese public sector appears to have been a contributory factor, for example in the ETVET project. A specific factor was the impact of the exchange rate on fee rates paid to consultants, although the procurement skills in government in this area appear to have been adequate in other respects. Challenges in coordination across government, capacity of the oversight committees and the lack of institutional mechanisms around skills frameworks and training were also cited by interviewees.

Finally, fiscal challenges precipitated by the latest episode of economic crisis and the impact of the pandemic have resulted in the government delaying or modifying scheduled payments to contractors in the water and education sectors, adding to the delays and, in the case of the education loan, contributing to the resignation of the project manager, although that position was subsequently filled.

Nevertheless, with the exception of the current fiscal challenges, the capacity limitations and political economy challenges encountered by CDB were all known in advance of the CSP and hence to a large degree predictable.

Available evidence also suggests that a number of implementation problems experienced can be traced to project design limitations:

- For the ETVET project, the original design appears to have overestimated available TVET expertise within the Ministry, while a key consultancy undertaken to update curricula was found to be based on overly optimistic assumptions about the existing level of curriculum development in the sector.
- At the same time, the design of the ETVET project also underestimated construction costs and potential demand for classroom capacity: bids on two construction contracts to date suggest that actual costs may be up to three times higher than the unit costs (\$/m²) used in the design; for four of the eight sites selected at design, it is doubtful whether they are suitable or can be delivered within the cost assumptions; the design of one site (Apoera) has resulted in too many classrooms being built for too few students, based on overoptimistic GOS growth projections for the area; and finally a budget shortfall of USD15 m has been identified largely as a result of cost escalation but even with this additional funding – which is partly to cover project management costs not originally included the project is still expected to provide fewer classrooms and Practical Instruction Centres than planned. An important contextual point to note is that a key reason for the additional costs that arose is that there were significant changes in consumer prices and shifts in the exchange rate. These occurred relatively soon after the project assumptions were made.

- The original design of the streetlight retrofit and advanced metering project did not foresee limitations to the advanced metering infrastructure (AMI) technology currently utilised by the electricity utility (EBS) and the potential risks that surfaced during the tendering for the metering component. The solution arrived at between CDB and EBS was to terminate the procurement process, select a different AMI technology and retender but this has resulted in further delays (>9 months) to contracting a supplier.

These design limitations potentially reflect CDB's lack of familiarity with conditions in Suriname and insufficient investment to address this knowledge shortfall. The overall impression provided by the stakeholder interviews is that while counterparts appreciated the expertise and responsiveness of individual CDB staff, in practice they found them very busy with limited time to engage and limited discretion to take decisions 'on the ground'. Interviews with counterparts in Suriname identified a number of issues:

- CDB responses to more difficult decisions in some cases appear to have taken two to three days because of the workload of the responsible officer. However, from the CDB perspective this can be considered an adequate response time for complex client queries.
- Compared with other development partners, CDB was felt to invest less time in engagement during the appraisal/design stage and in training and developing the project managers leading activities on the ground.
- For some counterparts, CDB was perceived as lacking procedural flexibility, requiring Board approval for what were considered relatively minor modifications. In their view, CDB procurement regulations introduced new and, in some respects, challenging requirements for counterparts compared with existing development partners, though the need for additional support in this regard was not always recognised. This perspective needs to be balanced by the fact that CDB has now updated its procurement guidelines (Nov 2019) and in the view of procurement leads in CDB this has increased flexibility to similar or better levels than other IFIs. They would also argue that further capacity building on procurement in Suriname is urgently needed.
- Similarly, some counterparts preferred the more structured approach taken by other development partners in specifying clearly what was required of them and by when, which in turn was felt to provide less scope for confusion/ misunderstanding. For example, failure to alert counterparts in advance of the 2020 elections of the need to renew a loan duration resulted in further, avoidable delays as counterparts had to start anew with an entirely new management cadre to obtain the necessary approvals.

A number of interviewees referenced the lack of a country office as a potential factor explaining the above issues. For the evaluation, the issue is perhaps less one of physical presence and more one of sufficient time and resources to develop the necessary knowledge and relationships in-country.

5 Performance

5.1 Introduction

This section of the report examines the performance of CDB's activities in Suriname since 2014 against four criteria: relevance, coherence, effectiveness, and sustainability.

5.2 Relevance

5.2.1 Overview

The evaluation examines the relevance of CDB's country strategy in Suriname from two main perspectives:

- Relevance to Suriname's development challenges
- Relevance to CDB's mandate

The development challenges identified in the CSP, and the proposed support programme were generally highly relevant to Suriname's development priorities. The most notable exception to this conclusion was the omission in the CSP of detailed consideration of economic integration with CARICOM, an important objective for Suriname. The proposed programme was also relevant to CDB's corporate and sectoral mandates.

An exception here was the proposed assistance to private sector development and economic diversification, which was identified as a priority and pursued but not able to make progress. CDB allocated significant resources (\$45 mn) under Pillar 2 to economic diversification including private sector investments, and targeted MSME but came up against limited absorption capacity and uptake from the government side. The CSP also targeted agricultural soft commodities and TA for analysing value chains in agriculture, but again there was limited GOS uptake. As such, CDB seems to have targeted an important need but struggled to find opportunities to provide support that the government could use/or chose to use in practice.

This is a specific example of a more general point that in spite of the generally high degree of design relevance of CDB's programme, many of the proposed engagements were not realised, which reduces the substantive relevance of the programme. The CSP rightly identified challenges associated with capacity constraints and economic vulnerabilities in Suriname but in hindsight the CSP's assessment of the level of risk appears overly optimistic. The mitigation measures proposed seem well-placed, but application of these measures was in practice patchy. A different way of looking at this is that the CDB made an important offer of support in key areas, but the uptake was limited due to decisions on the government side, which in turn raises the question of how far that offer could be adapted in future to achieve a better fit.

5.2.2 Relevance to Suriname's development challenges

ALIGNMENT WITH NATIONAL DEVELOPMENT PRIORITIES

The development challenges identified in the CSP were and remain **highly relevant**. The analysis highlighted in particular:

- Constraints to human capital formation
- Limited economic diversification
- Weak competitiveness
- Insufficient economic infrastructure
- Environmental management, vulnerability to natural hazards and climate resilience; and
- Institutional strengthening for transparency, accountability and performance

The analysis of challenges aligned well with contemporary analyses of development needs in Suriname by other Development Partners (IDB and World Bank) and the CSP was well-structured to address the challenges based as it was around four pillars: social sustainability; economic sustainability; environmental sustainability; and good governance.

The CSP also identified gender equality as an important issue, highlighting “[premature] termination of education by teen parents – both boys and girls, sexual exploitation of women and children; and gender-based violence” as particular concerns. These concerns were echoed by the IDB’s analysis (IDB, 2016), that concluded gender equality and women’s economic empowerment in Suriname lagged much of the rest of the LAC region, with indicators in a variety of fields including health, labour, entrepreneurship and violence against women revealing some of the highest levels of gender inequality in the region.

The CSP outlined a relatively wide range of assistance activities in response, organised under the four pillars set out above. Evidence suggests the **proposed programme was relevant** given strong alignment between the programme of support outlined in the CSP and the priorities identified in the Government’s National Development Plan (2012-16) – see table 3 below. As discussed, in practice, few of the proposed engagements were realised, which reduces the substantive relevance of the programme – but the choice of focus areas was well-judged.

Table 3: Mapping of CSP to the Suriname National Development Plan 2012-16

	<i>Suriname NDP 2012-16[†]</i>	<i>CDB CSP 2014-18</i>
Economic sustainability	Economic diversification privatisation/PPP and private sector development	<ul style="list-style-type: none"> • Lines of credit for SMEs and micro-entrepreneurs • Large scale private sector investment projects • TA grants for SME capacity development • Privatisation of government agricultural estates
	Mobilise finance for sustainable agriculture, tourism and creative industry development	<ul style="list-style-type: none"> • Lines of credit through established financial intermediaries • TA grants to explore poultry and aquaculture development
	Upgrade economic infrastructure	<ul style="list-style-type: none"> • Agricultural production-related infrastructure and services • Marine and road transport rehabilitation • Energy expansion and upgrade • Water supply improvement • Flood defences construction
	Tourism development	
	Strengthen environment for business and entrepreneurship	
	Greater economic resilience including creation of SWF	
Education	Improved equality of access to education including gender inclusivity	<ul style="list-style-type: none"> • Early childhood development and parent education (ECD) • Construction of practical instruction centres (TVET) • Second chance program for school dropouts (TVET) • Development of Anton de Kom University (Tertiary)

Suriname NDP 2012-16†		CDB CSP 2014-18
	Improved quality of education including professionalising teachers	• TA for distance education pilot using solar energy
	Improved legal and regulatory framework	• TVET teacher professional development (TVET)
	Strengthen Ministry of Education and science and technology policy	• Teacher development standards and accreditation systems
		• Competency-based curriculum development (TVET)
Social sustainability	Reform and strengthening the social protection system – including introduction of CCT program	• TA to for National Training Authority and systems leadership
	Access to and quality of health services, especially in the hinterlands.	
	Expanding employment opportunities.	• Support income-diversification opportunities in rural areas
	Improving quality of life (social inclusion and poverty reduction)	• Support basic infrastructure and services in rural areas • Support gender mainstreaming capacities in GOS • Undertake gender analysis in each sector of intervention • Grant for citizen security (community policing) • Capacity development and support for enhanced social data system (including country poverty assessments)
Environmental sustainability	Manage the impacts of climate change including strengthening disaster risk management	• TA grants to promote community DRR and climate resilience. • Investments in renewable energy / energy efficiency projects • Mobilise climate financing and other financing modalities; • Vulnerability assessments and critical infrastructure investments and adaptation measures
	Develop environmental policy and regulatory frameworks to control exploitation of resources, protect the environment and promote resilience	• Finance review and assessment of key environmental, DRM and resilience policies, legislation and regulatory frameworks necessary to effectively mainstream environment, disaster risk management (DRM) and climate resilience issues;
Good governance	Strengthen/decentralise public administration for effectiveness, transparency and efficiency: incl. PFM / budget management, e-government, and banking sector oversight	• TA for institutional strengthening in Ministry of Finance • Capacity building in Managing for Development Results and Project Cycle Management
	Improving law enforcement and legal protection	• <i>Grant for citizen security (community policing)</i>
	Promoting national security (both internal and external security of the state).	

Note: † Derived from references in CDB and World Bank documentation

One noteworthy omission was the CSP's lack of significant consideration of regional aspects of CDB's support in Suriname. Stakeholders interviewed for the evaluation consistently identified CDB's regional knowledge and linkages as its key comparative advantage, compared with more established development partners. Yet CDB's regional value to Suriname does not feature noticeably in the CSP, even in support for environmental sustainability, where BMCs face multiple common challenges, or in the education sector, where harmonisation of standards and portability of qualifications are seen as important ambitions.

For gender equality, the CSP committed CDB to support gender mainstreaming and to improve gender awareness in all its activities, incorporating gender performance indicators and targets within country and sector results frameworks and undertaking gender analysis for each sector where active, including the

collection and maintenance of sex-disaggregated statistics. The CSP in turn recognised the need to support these ambitions with specific budgetary provisions. **While relevant to need, it is less clear whether the CSP's provision for gender-equality was realistic, given the ambitious nature of the commitments.** Firstly, the CSP identified an indicative grant of \$200,000 to support sector-based analyses and gender mainstreaming in GOS, but in practice this does not appear to have been operationalised. Secondly, the mainstreaming approach advocated in the CSP relied heavily on CDB's ability to leverage engagement on the topic – a challenge given the lack of in-country presence. Finally, the discussion of gender equality in the CSP was not specifically tailored to the particular circumstances of the Surinamese context, suggesting more detailed work was required to ensure a realistic approach.

In addition to systematic gender analysis, the CSP committed to ensure a critical mass of stakeholders of both sexes, as well as gender-based non-governmental organisations, were engaged in needs assessments; prioritisation processes; project management committees; and implementation and M&E of projects. Again, while relevant in principle, in practice the implementation of the CSP in this regard has been patchy.

While the majority of the proposed programme of support appears highly relevant, significant aspects were not implemented, raising legitimate questions about relevance. The apparent lack of interest on the part of GOS for some agreed activities does not appear to reflect any significant shift in Suriname's priorities after the general election in 2015, nor a significant reduction in GOS's appetite for investment borrowing following the economic downturn experienced in 2015/16. Available evidence suggests that, in the main, the problem was not lack of relevance *per se*, but that the support provided by CDB was not able to overcome the challenges in the context, to convert expressions of interest into approved projects (and in some cases, approved projects into implementing projects) – an issue discussed in section 4 above.

ALIGNMENT WITH COUNTRY CAPACITIES AND VULNERABILITIES

Suriname provided a new and challenging context for CDB, with limited in-house knowledge of the country or native (Dutch) language speakers. In practice, the language does not seem to have been a major constraint when dealing with central government, although it is important when working in the interior. More significant is having in-depth knowledge of the country itself, with the relationships and political understanding that goes with it.

The CSP identified a number of potential delivery risks for the proposed assistance programme, along with mitigation approaches/ measures (Figure 8).

The risk factors identified were all **highly relevant** and cover the key issues raised during interviews for this evaluation. However, in hindsight the CSP's **assessment of risk appears overly optimistic**, given that all have materialised to some extent with adverse impacts for programme delivery.

Many of these risks are intrinsic to operating in Suriname. Were mitigation measures insufficient or insufficiently applied? While it is hard to say definitively, the evidence suggests that the latter factor was certainly an important element:

- **Flexibility:** A key part of the risk management strategy, CDB demonstrated its flexibility with its policy-based loan to the energy sector – at the time a highly relevant response. CDB sought to manage the risks as they materialised through high-level dialogue including visits by the CDB president and a high-level delegation, as already noted in the Executive Summary of this report. This could be taken as a *de facto* adjustment in the strategy. If so, it was not documented and the CSP itself and its results management framework was not adjusted to reflect greater understanding of the risk environment gained in the light of the 2015/16 economic crisis.
- **Selectivity:** in practice, the CSP's adherence to this mitigation measure appears at best partial. Notwithstanding expressed GOS interest at the time of CSP development, the proposed programme appears quite wide-ranging in spite of CDB's lack of familiarity in Suriname. To be fair, the CSP

recognised the proposed programme was ‘bold’ and acknowledged potential implementation challenges. As a result, the CSP provided an alternative scenario where only 50% of the indicative envelope was disbursed, though specific priorities within that scenario were not elaborated.

Figure 8: Potential risks and mitigation measures⁹

Risk factors identified for CSP delivery	CSP risk	CDB's mitigation response	Risk outcome
Substantial deterioration in commodity prices affects GOS' fiscal position and ability to pursue the borrowing programme	Low	Flexibility: accommodate unforeseen shifts in country priorities triggered, for instance, by exogenous shocks, including natural hazards). <ul style="list-style-type: none"> • No specific actions proposed 	Risk materialised with significant disruptive, though not terminal, impact on the borrowing programme
Changing national priorities: A pending general elections scheduled for May 2015 may reorder GOS' development priorities	Moderate		Risk partially materialised: no clear shift in national priorities following election but change in government was disruptive to CSP implementation
Technical capacity limitations in key line ministries, and MoF, – compounded by increase in development partners and projects – hinders project preparation and execution	Moderate	Selectivity: focus interventions on CDB's comparative advantage and country priorities <ul style="list-style-type: none"> • Provision of training in project cycle management for executing agencies and associated line ministries. • Participate in coordination activities to reduce implementation burden • Appoint dedicated technical resource in MoF to support CDB-funded project preparation and implementation 	Risk materialised, with significant impact on some planned areas of assistance (including grant programme) MoF institutional strengthening support largely effective in macro-economic capacity but proposed mitigation measures (support project preparation and implementation; strengthen social/gender capacity) not implemented
Absence of presence in-country to provide strategic and functional guidance to support the project cycle process	Not rated		
CDB's relatively limited country knowledge and experience	Not rated	Collaboration and partnerships: leverage existing knowledge sets on the ground for greater effectiveness and development impact. <ul style="list-style-type: none"> • Work closely with existing development partners 	Hard to determine impact of lack of country experience (and relationships) though may have been a factor in implementation challenges

CDB was understandably keen to demonstrate its relevance and interest at the start of new relationship. However, it is interesting to compare the breadth and scale of the CSP with the World Bank Group's approach developed around the same time as the WBG re-established a country programme in Suriname after a 30-year hiatus. The WBG's proposed programme was highly selective, comprising focused analytical work, capacity building and only three potential lending operations. A gradual approach to engagement was explicitly designed to allow both GOS and the WBG to build a shared understanding of Suriname's development challenges and ways to address them before considering a broader cooperation effort

⁹ Based on the evaluation team's analysis of the CSP 2014-18 document.

- **Collaboration and partnerships:** CDB’s use of this mitigation strategy was limited. Partnership did feature in the energy sector policy-based loan (with IDB and linked to the IMF stand-by agreement), a joint project on the analysis of agricultural value chains with IsDB (not implemented) and coordination with IsDB in the TVET sector. This aspect is considered further in the section on “Coherence” below.
- **Institutional strengthening:** implementation capacity constraints within GOS were anticipated in the CSP. A fourth pillar of the strategy (“good governance”) recognised this, though at the time proposed activities were relatively underdeveloped, with only 0.1% of the indicative allocation directed to this pillar. In practice, the anticipated mitigation measures– project management training, support for project preparation and implementation, strengthening macro-economic capacity and capacity for social/gender analysis to support policy development – were only partially implemented, while the anticipated risks materialised.

Generally, the assessment of the economic context was **sound but expectations for the short- to medium-term outlook proved overly optimistic**. The CSP correctly identified Suriname’s dependence on commodity exports and associated vulnerability to any substantial deterioration in commodity prices but rated the risk as “Low” and did not include any special provision in the strategy in the event of the risk materialising. (In contrast, the World Bank Group’s CSP for the period 2015-19 rated the risk of macroeconomic shocks and fiscal pressure as “High”, albeit with the benefit of a further twelve-month’s hindsight.)

Generally, the CSP was quite sanguine about Suriname’s economic outlook based on tight fiscal and debt management, robust performance in the mining sector (in particular oil and gold) and structural reforms to promote economic competitiveness. However, soon after the CSP was approved, Suriname was hit by an economic crisis due to falling world commodity prices (though the decline in gold prices had started in 2013). In 2015, Suriname’s economy contracted, and the budget and balance of payments came under severe stress. Government revenue from mining fell sharply, foreign reserves were drained, and GDP growth contracted. Since the end of the CSP period (2018) Suriname has experienced another major economic crisis, exacerbated by the global pandemic.

5.2.3 Relevance to CDB’s mandate

As discussed above, at the beginning of the CSP period Suriname was highly attractive to CDB for a number of reasons: the opportunity to expand and diversify the portfolio and improve CDB’s overall risk profile.

The areas for assistance identified in the CSP were all relevant in terms of CDB’s related sectoral strategies. The possible exception to this finding was the proposed assistance for private sector development. The CSP provided an indicative loan window of \$45 mn for economic diversification and identified an ambitious grant of \$1 m for training support through the Caribbean Technology Consultancy Services (CTCS). However, in practice the proposed Lines of Credit did not seem to have ‘ready-made’ recipients in Suriname and CDB’s own efforts to locate a suitable intermediary failed. Nor was there a clear instrument identified to take forward the CSP’s suggestion of providing funding for large-scale private sector projects. CTCS activities were implemented but only 20% of the envisaged allocation (\$0.2m) was committed. At the time of the evaluation, disbursement stood at less than two-thirds for approved CTCS projects.

5.3 Coherence

5.3.1 Overview

This section considers the coherence of CDB's approach under the CSP in the following terms:

- Degree of harmonisation/coordination with other development partners
- Degree of internal coordination between CDB units

A key element proposed in the CSP was to mitigate the risks associated with working in a new and challenging country context. In practice, use of collaboration and partnerships with existing development partners was limited.

In terms of CDB's internal coordination, the evaluation did not find any cases of under-performance that were demonstrably attributable limitations in this regard. But available evidence does suggest that there was scope for CDB to take a more joined up approach, as discussed in the next section. For the evaluation, this would have been a sensible strategy in what was an unfamiliar (and hence riskier) country and one where implementation was evidently challenging.

5.3.2 Coordination with other development partners (DPs)

The CSP identified collaboration and partnerships with other DPs as a key principle guiding CDB's approach to engagement and an important means of managing the risk of entering a new and unfamiliar setting:

“the engagement process with Suriname must seek to leverage existing knowledge sets on the ground in order to promote greater effectiveness and sharpen development impact. This will require working closely with existing development partners in all sectors with joint interests”.
(Suriname CSP 2014-18, p13)

The most prominent example of this collaboration and engagement in action was the energy sector policy-based loan, an intervention unforeseen at the time of the CSP design. But beyond the PBL, **the CDB's implementation of this aspect of the strategy was limited.**

In the Education sector, design of the ETVET project (USD22 m loan, approved in December 2014) was coordinated closely with IsDB who were also active in the technical education field¹⁰. In an innovative move, the design proposed a joint GOS Project Coordinator and single Project Management Unit (PMU) spanning both CDB and IsDB TVET projects. It appears that once the appraisal stage was complete, there was no further collaboration between the two Banks and the decision was subsequently taken to set up separate PMUs. The arrangement with a single GOS Coordinator was only partially effective. The ETVET project struggled to secure the required level of attention because CDB did not contribute funding to this position (as IsDB and IDB did).

More positively, the colocation of IsDB, IDB (basic education) and CBD projects within the Ministry of Education appears to have provided practical opportunities to avoid duplication and exploit complementarities - for example all three projects had resources to support M&E within the Ministry, so a single, overarching role was taken by the Ministry's research and planning department.

¹⁰ Reforming TVET project (USD16 m) approved Aug 2014; and Secondary and Technical Education Support project (USD31 m), approved in May 2016.

In the energy sector, donor coordination was managed primarily by the state-owned utility company. For the electricity system upgrade and expansion project (“Power Project”), CDB extended procurement eligibility to IDB member countries, to ensure standardised equipment could be supplied to the utility, while for the 2016 PBL, CDB used the policy matrix developed by the IDB.

In the agricultural sector, CDB developed a TA grant proposal for an agricultural value chain study to be funded jointly by CDB (USD0.2m) and the Islamic Corporation for Development (ICD - the IsDB’s private sector financing arm USD0.1m). The project was designed to address key knowledge gaps in the sector and provide the basis for the subsequent development of an investment strategy. In spite of the fact that CDB approved grant funding for the study in December 2017, it has not been implemented. The specific reasons seem to have been conflicting priorities within the two GOS Ministries involved (Industry and Agriculture) and inability to identify a suitable consultant for the study. However, the evidence indicates that the two Banks have not worked together to engage GOS jointly and resolve the problem. As a result of the lack of progress, CDB is now considering cancellation of the grant.

More generally, coordination and engagement in other areas of the CSP have been patchy:

- CDB is in touch with the IMF but is not a regular member of the current technical working group (WB IMF IDB) developing the new IMF agreement in response to the current economic crisis. Nor does CDB participate in the periodic Development Partner roundtables organised by UNDP, or meet with them regularly, although an MOU on development cooperation is in place.
- While IDB and IsDB have an MOU with one another in Suriname, CDB has not established one with either, in spite of IsDB’s expressed interest and follow up by its partnerships team.
- Interviews with CDB staff suggest extensive consultations took place during the design mission to develop the CSP – establishing relationships that continued for some time after the start of the CSP – but engagement declined over time with CDB staff turnover. Initially, there was a high level of communication with UNDP on potential joint work under two CSP pillars (social sustainability and good governance) but this subsequently diminished, to the point where for UNDP there is apparently very little contact even on BNTF-related activities. Similarly, discussions were held initially with IICA on opportunities to work jointly in agriculture sector but not subsequently pursued.

Collaboration and coordination are of course not cost-free. However, given the implementation challenges of limited institutional capacity and political economy issues, and the lack of Bank presence on the ground, it would seem reasonable on efficiency grounds to allow for greater operating ‘overhead’ to accommodate this, at least during the first CSP cycle as CDB established its relationships in the country. There is a sense from evidence that CDB underinvested in this aspect of the strategy over the life of the CSP. Interviews with government have confirmed the primary importance of understanding how implementation works in practice, which requires some method of being continuously present either directly (not likely with CDB’s current business model) or through partners and agencies who can represent CDB and share intelligence and expertise.

5.3.3 Coordination between CDB units

Determining the substantive level of coordination between the different CDB teams involved in the Suriname programme is difficult. There is no doubt that those CDB staff involved in Suriname share knowledge internally – for example, CDB teams have for two years used MS Teams for exchanging information about developments in the country and there is similar cooperation in project appraisals. The CS process itself also provides a more formal process, periodically, for joint strategizing.

Economic diversification and private sector development are key priorities in Suriname but pose significant challenges. CDB’s engagement, however, was divided across three different teams in line

with its own organisational structures when a joint approach might have been more influential. To date, CDB's engagement in private sector development has been quite marginal.

Linkages between CDB's investment programme and policy engagement activities do not appear particularly systematic. For example, there is no evidence to suggest that small-scale capacity building for exporters funded by CTCS was linked to a broader discussion around trade policy and barriers to trade. Similarly, linkages between the energy specialists and economists on energy policy (in particular tariffs) are not apparently systematised, while engagement of CDB economists on sector-specific TA projects (e.g. MSME policy development) appears somewhat *ad hoc*. Nevertheless, officials have since clarified that appraisal teams bring together staff from projects department and economics and that in recent years both have worked closely together, also with the Ministry of Finance in Suriname, to speed up project implementation.

Responses during interviews with CDB staff indicate uncertainty exists regarding the reasons why some projects have not got underway as planned or have experienced delays. This suggests that processes to share experience and learning across teams to inform the implementation strategy could be embedded more effectively.

That is not to say that the review found any cases of under-performance that were demonstrably attributable to a lack of internal coordination. But the available evidence does suggest that there was scope for CDB to take a more coordinated approach. In this respect, the evaluation concurs with the CSP itself that, in a new and challenging context such as Suriname, there is merit in taking a strategic approach to leveraging all available knowledge and influence through engaging with partners.

5.4 Effectiveness

5.4.1 Overview

Overall effectiveness of the CSP programme over the review period has been mixed.

The main challenge has been the limited pace of implementation, with many projects yet to deliver results and counterparts being of the view that it is too early to judge final effectiveness. Overall, those projects that have got past the hurdles of the initial requirements for disbursement are slowly ramping up and have a reasonable chance to be effective in time, but in some cases the effects will be constrained by design and implementation challenges. Use of the CSP as a tool for ongoing dialogue with the GOS and oversight of the programme has been limited, perhaps reflecting the fact that the typical way the CSP is used in the CDB has traditionally been more at the planning stage.

In discussion with CDB officials, the process has been characterised as follows

“The Country Strategy (CS) initiates the engagement at a high level with all stakeholders. Country engagement then shifts to implementing units within Economics and Projects, with each unit, division and department having separate but related roles that come together at project appraisal (appraised within the context of the CS). Project supervision and completion reports and formal country portfolio reviews feed into a mid-term review of the Country strategy and into the country strategy completion report at the backend of the cycle, and the cycle restarts with a new CS. Units and divisions have managers who are accountable for this continued engagement and in the case of projects, the implementation of the projects in the CS programme.”

While this process makes sense, what appears to happen in practice is that the focus is more at the project level after the CS is agreed. The mid-term review of the CS did not happen, nor had the completion

report been done by the time of this evaluation. A more strategic approach with greater engagement with the government would require resourcing during the CS implementation process (at country level, not just at project level). A key challenge noted by officials has been a reluctance to allow staff, mostly new staff, to go into country due to budget cuts. New staff have not benefitted from handover missions, to help build networks in country.

5.4.2 Outcomes and progress towards outcomes

CDB is viewed as an important source of finance in Suriname, though it has yet to fully exploit its regional ‘offer’ – unique among development partners - in developing its position in Suriname. CDB’s contribution to date on economic reforms has been somewhat limited – partly due to the political context and the ability of the government to see through its commitments in 2016. Specifically, CDB could not pursue its contribution on completion of the energy sector PBL, as the conditions were not met, but there was no obvious follow through to rethink the strategy (See Box 1). Based on several interviews with government agencies, CDB staff are seen as accessible and expert in their own right, though the breadth of expertise available in-house in CDB and knowledge of how issues play out in the context of Suriname is considered more limited than that of other more established partners.

Box 2. The 2016 Energy Sector PBL

The electricity sector in Suriname had been operating sub-optimally for a number of years prior to the economic crisis of 2015-16, with significant implications for the Government's fiscal position. The Government had initiated a reform programme in 2012 to reduce arrears, improve revenue collection and limit expenditure growth but this was not sustained in the run up to the 2015 elections.

By the time of the economic crisis, central government debt was on an unsustainable path and in 2016 the Government agreed to a stand-by arrangement with the IMF for \$478 million over two years – about half the Government's anticipated funding requirements. To close the financing gap, GOS requested assistance from the World Bank (WB), InterAmerican Development Bank (IDB) and CDB.

Over May-June that year, CDB approved and disbursed a \$50 million policy-based loan for the energy sector based on a common policy matrix with IDB, under the third GOS/IDB Energy Programme. GOS additionally received inflows of USD 81.5m from the IMF, and USD 70 m from IDB as part of the reform programme. The remaining contributions from the IDB (USD 30 m) and WB (USD 100 m) were expected to be disbursed in the final quarter of 2016.

However, by mid-2016, progress on a number of policy items had stalled. In particular, GOS decided to freeze fuel prices at the pump and partially reverse the increase in electricity prices, given concerns about the social impacts of currency depreciation and removal of gas subsidies. The delays in implementation of the structural benchmarks resulted in the IMF's first and second review of the agreement not taking place. By the fourth quarter 2016, Suriname's current account balance had returned to surplus as a result of higher exports, lower crude oil imports, and demand management strategies. Consequently, the authorities officially announced the end of the IMF stand-by arrangement.

Energy sector reforms introduced as part of the loan conditions were judged in the project completion report to have strengthened the regulatory and legal framework, including the mainstreaming of environmental and social sustainability principles in electricity projects, and improved supply efficiency by establishing a new contract model for the state electricity company (EBS) to purchase additional power. However, an important component of reform was the gradual elimination of the electricity subsidy which placed a significant burden on the fiscal accounts and undermined the performance of the EBS. The decision to partially reverse the increase in electricity prices undermined, to some extent, the achievement of these objectives.

Along with sustained commitment to reform, the PBL's appraisal report correctly identified the risks posed by institutional capacity bottlenecks and the adverse social effects of the reforms. However, the TA support to the Ministry of Finance that was offered alongside the PBL, including expertise on assessing social impact risks, was not in the end taken up by the Ministry. Moreover, the support to strengthen the collection, management and use of social data through the conduct of the Enhanced Country Poverty Assessment was also not accessed.

There has been some follow up by CDB in the intervening period, for example regarding the Establishment of an Energy Authority and the matter of subsidies, although this has been slow for various reasons. In addition, a survey of living conditions was conducted through the Central Bank with support from IDB, aimed at assessing the impact of changes in the electricity tariff on the quality of life in Suriname. This provides some basic standard of living data. Other follow up includes TAs on institutional strengthening of the MoF, including a social and gender advisor, and the ECPA.

A key lesson identified by CDB in the PBL completion report was that deep structural changes and institutional strengthening take time, and the conditions of PBLs should reflect this reality in their design.

The main challenge to effectiveness has been the limited pace of implementation to date, with many projects yet to deliver results and counterparts of the view that it is too early to judge final effectiveness. Overall, those projects that have got underway are likely to be effective, though in some cases only partially given implementation experience to date. Table 4 summarises the evaluation's assessment against the CSP results framework.

Table 4: Summary of CSP 2014-2020 implementation and effectiveness

CSP sector outcomes	CSP programming	Summary assessment
<ul style="list-style-type: none"> Increased electricity coverage. Improved capacity of transmission and distribution system. 	<ul style="list-style-type: none"> Energy sector policy-based loan System upgrade and expansion project (Power project) Streetlighting retrofit and advanced metering project 	<ul style="list-style-type: none"> The PBL was designed to strengthen the regulatory framework and improve the efficiency of supply and operational sustainability of the sector. Improvements to the legislative and institutional framework were made but the decision to partially reverse the increase in electricity prices undermined, to some extent, achievement of these objectives. Power project, although delayed, is expected to contribute effectively to CSP sector outcomes Streetlighting project grew out experiences working with EBS on the Power project. It is expected to contribute to sector outcomes (albeit with delays) but effectiveness is more ‘at risk’ given concerns around implementation costs, metering technology and operability of recommendations to improve system resilience to climate change.
<ul style="list-style-type: none"> Increased access to high quality and relevant education and training. 	<ul style="list-style-type: none"> Institutional and infrastructural development of TVET at the secondary level. 	<ul style="list-style-type: none"> Enhanced TVET project is still likely to generate benefits but likely to be only partially effective in comparison with original ambitions. All major components of the project have experienced significant challenges on effectiveness – and will need extension and additional funding to secure more limited gains than envisaged at design. Proposed support to early childhood and tertiary education not undertaken.
<ul style="list-style-type: none"> Improved coverage, efficiency and quality of potable water supply. 	<ul style="list-style-type: none"> Feasibility study to upgrade water supply facilities 	<ul style="list-style-type: none"> Much delayed due to the continuing impact of the pandemic and now resolved administrative issues, SWM and the Consultant are negotiating a restart amidst the challenges of the pandemic. Expected to be effective as a basis for investments in support of the sector outcome, though GOS capacity for new borrowing in the short-term is open to question.
<ul style="list-style-type: none"> Increased MSME access to credit and business support services. 	<ul style="list-style-type: none"> TA grant approved for MSME policy development TA and associated services under CDB’s CTCS programme. 	<ul style="list-style-type: none"> Approved grant for MSME policy development not implemented. Discussions for starting implementation ongoing with new administration. Proposed LOCs for MSME financing and direct funding to viable medium-sized enterprises not undertaken Limited number of CTCS activities effective in own right but limited in terms of contribution to the sector outcome
<ul style="list-style-type: none"> Improved agricultural sector output – targeting both internal and external markets. 	<ul style="list-style-type: none"> TA grant approved for agricultural value chain analysis 	<ul style="list-style-type: none"> Approved grant for value chain analysis not implemented. Discussions on proceeding with the study have been restarted recently. Proposed investments to facilitate privatisation of government-owned estates not undertaken. Proposed drainage and irrigation investments in rice sector not undertaken.
<ul style="list-style-type: none"> Improved access by rural communities to basic social and economic 	<ul style="list-style-type: none"> Enhancing access to energy through stakeholder engagement 	<ul style="list-style-type: none"> Although delayed, stakeholder engagement in energy sector is expected to augment awareness and access in rural areas where Power project supply activities conducted.

CSP sector outcomes	CSP programming	Summary assessment
infrastructure and income-generating opportunities.	<ul style="list-style-type: none"> • Neighbourhood policing – SSERVE Grant 	<ul style="list-style-type: none"> • Neighbourhood policing: no information on effectiveness but to date only 27% of funds disbursed. • Income-generating activities not undertaken • Performance of projects under BNTF 9 unknown but only 24% of committed funds disbursed to date. Scope to collaborate with UNDP in this area not developed.
<ul style="list-style-type: none"> • Improved gender mainstreaming capabilities within GOS. 	<ul style="list-style-type: none"> • Conducting gender analysis for each sector supported by CDB. 	<ul style="list-style-type: none"> • Experience has been mixed. Interest and openness on the part of counterparts facilitated some progress in the energy sector.
<ul style="list-style-type: none"> • Reduced human, economic and financial losses due to road traffic accidents. • Enhanced efficiency and capacity of port operations. • Enhanced governance framework for environmental management. • Enhanced community resilience to coastal hazards • Nationally accepted poverty indicators established • Enhanced capability to formulate better results-based projects and development plans. 	<ul style="list-style-type: none"> • Training in MfDR and project management • Institutional strengthening Ministry of Finance 	<ul style="list-style-type: none"> • None of proposed studies and investments in road safety, port development, environmental regulation, flood risk management or country poverty assessment were undertaken. • Project management training under ETVET project considered effective. CTCS national workshops on MfDR held with business support groups in 2016 which helped to support MFDR methodology and tools in three projects supported by CTCS. • Support to MoF macro-economic capacity judged largely successful including training of a new cohort of young economists in the Ministry. The proposed addition of social development/ gender expertise to strength MoF analytical capacity in these respects was not implemented. • BNTF 9 programme was well-aligned with Suriname community development needs, but in spite of CDB efforts, anticipated activities were not taken forward by GOS. MOF appears to have been a bottleneck in the approvals process.

The CSP identified gender equity as a key cross-cutting issue for CDB's engagement. The strategy proposed mainstreaming gender issues across all areas of engagement through including appropriate gender analysis and collection of sex-disaggregated data in planning, implementation and monitoring and evaluation (M&E) at project and sector levels. In practice, the strategy was only partially effective.

Gender equality activities supported by technical assistance accompanying loans in the electricity and water sectors proved more effective and feasible to take forward. In large part, this reflected the characteristics of the implementing partners: state-owned companies, with a high degree of technical competency and who high exposure to and interest in meeting the priorities of their international partners. That said, while there was openness to work on gender issues – sufficient, for example, for the electricity company, EBS, to develop a Gender Action Plan under the Power Project funded by CDB –evidence of gender equity outcomes still seems limited. Analyses and plans are an important first step, but institutionalisation is a longer-term process.

Support in the TVET sector was an important area for CDB's gender mainstreaming objectives. However, it has had only limited success to date. A consultancy was designed to look at how to get more females into TVET but ran into challenges - lack of interest on the part of key counterparts in the Ministry of Education meant the work was modified and effectively side-lined.

Similar to experience elsewhere in CDB, the effectiveness of the CSP instrument itself has been quite limited. The CSP provided a clear and relevant analysis of the needs and priorities of Suriname and set out important but more challenging areas, such as poverty assessment, gender equity, environmental sustainability and economic diversification. In practice, however, CDB did not pursue these agendas to the extent set out in the CSP. The CSP was not updated as circumstances in Suriname evolved over the period or renewed on expiry in 2018. The planned mid-term review of the CSP, which could have highlighted outcomes progress and changes in priorities, did not take place.

5.4.3 Sustainability of Outcomes

The slow rate of implementation limits what can confidently be said about sustainability. However, it appears that eventual outcomes in the energy sector have a good prospect for sustainability, given the capacity of counterparts in the sector. The challenge in the case of the street lighting project will be to ensure the metering solution chosen represents a good fit with EBS' needs.

The sustainability of outcomes in the education sector appears more at risk. In addition to design and construction challenges, sustainability will also require effective alignment of GOS TVET reforms with the regional standards for TVET established by CARICOM, but the timeframe for this is uncertain. Officials noted that the sustainability of outcomes also depends on the strategic importance of TVET to the GOS and the project is contributing to some key aspects of the regional TVET standards such as CBET training and curriculum.

6 Conclusions

6.1 Adapting to changing economic conditions

When the CSP was written in the first half of 2014, the economic outlook for Suriname was viewed very positively, summarised in the strategy as follows:

“Suriname’s macroeconomic fundamentals have improved markedly since the 1990s. The country has been able to reverse years of macroeconomic instability, low growth, near-hyperinflation, and significantly large internal and external imbalances that characterised much of the 1990s by undertaking far-reaching structural, fiscal, monetary and financial reforms. Fortuitous conditions (buoyant commodity prices), as well as political stability have also helped to turn the economic tide.

In practice, the experience for most of the strategy period since then has been very difficult for the country, including a severe recession in 2016, and the most recent economic crisis compounded by the effect of COVID-19, with impacts on employment and living standards. The previous GOS administration also rowed back on the policy reform commitments (including the agreed changes to the electricity tariff) almost immediately during the 2016 recession, which undermined achievement of the intended benefits of the energy sector PBL.

This means that the country’s need for support is greater than ever but the ability of CDB to respond is constrained by Suriname’s increased credit risk and the Bank’s ability to engage effectively in a complex situation from a distance. The needs are for economic reform and regional integration in the medium to

long term; and for external support in the short term to bridge the crisis in external debt and access to foreign exchange and credit. There are risks that the economic situation and deteriorating living standards will further undermine the platform for reform.

In assessing how the CDB responded to changing economic conditions, and sought to engage/support the government, the complexity and unpredictability of the situation needs to be considered. No-one could have anticipated what happened most recently, either globally or in Suriname. With hindsight, some of the risks that materialised in 2016 could perhaps have been identified more clearly and managed differently- governance and capacity weaknesses in the country. CDB made a serious attempt to engage with the GOS through TA for both economic policy and social/gender issues. Having said that, CDB's business model as used in the last CSP was shown to be suboptimal for Suriname in the sense that the CDB was not able learn quickly enough about the operating environment in a new BMC to deliver its intended objectives using its normal instruments. This is partly due to the complexities of the country and partly due to lack of consistent implementation follow through combined with a lack of visible presence in Suriname.

At present, CDB is staying in touch with but is not very directly engaged on the macroeconomic policy dialogue and agreement of the support package. Compared with how it engaged in Barbados during the economic crisis, where the CDB played a more strategic role, the approach in Suriname is more watching and waiting, pending the necessary agreement by the government with the IMF and its creditors. One factor here is the more limited headroom for PBL lending following the impact of COVID-19 across the region. Assuming that agreement on an IMG programme does materialise by the middle of 2021, this can reasonably be expected to help improve the credit rating of the country and allow CDB to re-engage, potentially from late 2021 onwards, while at the same time improving macroeconomic conditions. Meanwhile, CDB is staying in touch with the IMF and other partners while providing shorter term COVID-19 emergency funding (one of the few institutions to do so).

6.2 Implementation challenges

Excluding the energy sector policy-based loan and recent emergency pandemic response loan, remaining loan projects – totalling \$118m – have all experienced significant implementation delays and challenges. Limited capacity in the public sector has been a contributing factor in the education sector, though projects in energy and water have benefitted from higher levels of technical competence within the state-owned utility companies. The political economy of the public sector in Suriname – which manifests in limited continuity between senior officials and low rates of cross-departmental cooperation – has also affected implementation in education and energy, though to a lesser extent. Finally, fiscal challenges precipitated by the current economic crisis have resulted in the government delaying or modifying scheduled payments to contractors in the water and education sectors, adding to the implementation delays.

Nevertheless, in all cases, implementation challenges can also be attributed to issues with project design.

- The design of the ETVET project underestimated the challenge of securing sites and the per m² construction costs for the practical instruction centres. This was during a period of rapid consumer price inflation (prices more than doubled between 2014 when the project was approved and 2017, and then by another 50% since then) and exchange rate shifts.
- The design of the feasibility study for an upgraded water supply was significantly delayed by extended discussion about CDB requirements in the contract for a climate vulnerability assessment, social/gender assessment and institutional assessment of the utility company.
- The original design of the streetlight retrofit, and advanced metering project anticipated that EBS would continue utilizing its existing AMI technology platform. The tender process for AMI equipment had to be terminated due to legal risks associated with suppliers of the existing AMI technology.

- The project to upgrade and expand the electricity system was delayed by almost a year because of challenges sourcing eligible proposals in response to the tender as originally designed.

Although impossible to judge with certainty, these problems might have been avoided or reduced by greater CDB engagement during the design process. Measures identified in the CSP to mitigate such implementation risks were well articulated, but not consistently applied. The CSP acknowledged the challenge involved in initiating a new programme of support in an unfamiliar BMC without a presence in-country. To enable CDB to deliver the ambitious support programme envisaged, the intention was to work in partnership with existing development partners to leverage their knowledge and relationships. But, as discussed in the section on *Coherence* above, implementation of this strategy was mixed. It seems that the initial, positive start established during the CSP design mission was not sustained.

Underinvestment in establishing CDB's programme was also evident in the area of relationship building with GOS counterparts – originally identified in the CSP as another important risk mitigation strategy (Box 1). Interviews with counterparts indicated that while individual CDB staff were very well-regarded and good relationships were established on an individual basis, effectiveness of the collaborative strategy was constrained in two respects. First, lack of time for CDB staff to devote to engage with and support GOS counterparts to get things up and running, and second, the lack of a mechanism for visibility and hands-on engagement in Suriname itself in following up.

Box 1: CSP on collaboration with Government Counterparts

CDB recognises that the success of the programme will depend on building a strong partnership with the country which is characterised by openness, dependability and trust. The approach to the strategic engagement will be based on close collaboration between Bank staff and their counterparts within GOS... CDB will also have to invest considerable time in improving its understanding of country systems, as well as supporting and supplementing existing technical capacity in country throughout the project cycle.

CDB Suriname Country Strategy Paper, 2014-18

CDB recognised this shortcoming during the mission of the Director of Projects in 2017 when more staff resources were committed to addressing implementation challenges – particularly with the ETVET project. This in turn appears to have had a positive impact on implementation performance. However, because this arrangement was not institutionalised, engagement reverted to 'standard' procedures when CDB staff rotated. Indeed, interviews with GOS counterparts pointed to a lack of continuity from their perspective when staff changed in CDB.

Possibly the most notable effect of this underinvestment was the failure by CDB and GOS together to move two important technical assistance grants from approval to first disbursement: agricultural sector value chain analysis and support for development of an MSME policy. The evidence suggests that, in the main, the problem was not lack of relevance *per se* but more likely that CDB overestimated counterparts' capacity and underestimated the support needed to advance the initiatives. Indeed, it is notable that progress has generally been greatest in the loans involving the state-owned utility companies, who are acknowledged as having greater capacity. A different perspective is that the requirements and commitments were clear at the outset and were simply not met on the GOS side, for example in how short-lists of firms are produced within CDB guidelines, and that when CDB sought to follow up with GOS regarding implementation it found, for whatever reason, a lack of commitment to do so.

Again, recognising this risk, CDB did commit TA funding for personnel in the MoFP – to provide a form of presence on the ground and assist with implementation. However, implementation experience suggests this has been only partially successful. The input focused by design on macro-economic capacity but did not provide help, nor was it intended to, on the key area of implementation support. Nor was expertise on gender/social aspects provided as planned due to lack of interest from MoFP, which may in part explain limited progress on the social objectives of the CSP. In terms of project

implementation, it is possible that in the Suriname public sector the MoFP plays less of the lynchpin role than is conventionally the case in other BMCs.

6.3 Limitations of a project-based approach

Within CDB's business model, there is a lack of accountability for implementation of the CSP – as opposed to individual projects. In known environments, where relations are well-established, this may not be overly problematic. However, in a new country, that is institutionally complex and where CDB has no presence on the ground, a more strategic approach is essential if CDB is to build its presence. This strategic approach includes accepting that costs of doing business are likely to be higher in the establishment stages of the CSP.

Building relationships and in particular working in partnership is not cost-free. It takes time and resources. But in practice, current working arrangements mean staff are incentivised to allocate their time and effort to maximum effect across their projects, regardless of location. This appears to have resulted in a 'difficult' operating environment like Suriname being de-prioritised with sub-optimal investment in partnership development at the country-level, given such partnership development can often complicate the task of developing projects, at least initially.

This has been shown in Suriname to be unsuited to the challenges of working in a new and challenging environment. While the original CSP identified well the appropriate strategies required, in practice they were not consistently implemented. A new management model is required which bridges teams more effectively in CDB and ensures that country level follow up is prioritised.

6.4 Continuing relevance of the CSP

The needs, vulnerabilities, complexities, and high potential of Suriname identified in the 2014-18 CSP were well-judged. The experience of the first years of CDB engagement in this new BMC has shown that the original rationale was sound and relevant, although risks were underestimated and not managed effectively.

The case for engagement by CDB in Suriname now seems stronger than ever, given its needs in economic, social and human development terms. CDB has key strengths which would be useful to the country, including economic, social and technical expertise, in-depth knowledge of the regional context and experience of how other countries are managing the challenges of building back after the pandemic. With a new administration in place, there may be new opportunities to work on structural weaknesses.

This would obviously be a priority for a new CSP. Although credit risk currently constrains lending volumes, CDB appears well aware of the significant needs in Suriname (as shown by the relative decline in per capita incomes and the very high levels of government debt relative to GDP) and the urgency of devising appropriate channels for multilateral support.

Compared with the 2014-18 CSP, a more coordinated and targeted approach will be required, focusing on strengthening institutional capacity, social protection and working with other partners and donors. Similarly, tackling gender equality as a cross-cutting issue may lead to gender 'add-ons' for planned activities, while targeted initiatives should be contemplated as well. A new approach is also required to respond to governance and capacity weaknesses head on, within and across sectors. It should engage more consistently in a more coordinated manner, and leverage to a much greater extent the other multilateral organisations that have established entry points - such as the IMF, IDB, UNDP, IICA, UN Women.

7 Recommendations

Agreement on broad based economic reform, with an IMF support package, is an essential short-term step, which will in turn help to create an improved risk environment and allow CDB to reengage in lending to Suriname. On the assumption that this will happen in coming months, preparation for a new strategy is now underway.

The following recommendations are intended to respond to the challenges experienced in the Bank's first CSP for Suriname, including of operating in a new borrowing member country, leveraging partnerships and being more joined up internally.

1. The new country strategy should incorporate arrangements suitable to the challenges of building a stronger relationship with a relatively new borrowing member that has distinct cultural, linguistic, and political characteristics.

This report has set out a number of lessons from CDB's initial engagement over the 2014-2020 period. In formulating its second Country Strategy for Suriname, CDB should carefully consider those lessons and build in arrangements that would help to address the challenges of this relatively new BMC. These would include:

- Formal and effective partnership arrangements with other international agencies as well as local entities, to mitigate CDB's lack of on the ground presence. A roster of locally based technical/management experts might also be considered.
- An evolved country engagement model that bridges across sectoral teams and ensures country-level focus and follow-up.
- Recognition of governance and institutional capacity challenges, the impact these may have on project implementation, and the need for appropriate timelines, strategies and measures to address them. Success of project-based sector engagement depends on finding ways to recognise and overcome the capacity bottlenecks that affected implementation of the first CSP. There is significant opportunity to leverage IDB learning, and CDB may need to develop stronger links with line ministries and statutory agencies, beyond those already established with the central economic agencies.
- Increased commitment to project cycle management training for all implementing institutions, including opportunities to learn from each other's experiences.

2. Facilitating Suriname's integration into the regional economy should be considered as potentially important area for discussion when consulting with the Government of Suriname on priorities in the new Country Strategy. This report has noted that regional integration might be expected to feature prominently but was not seen as a priority in the first Country Strategy. Accepting that the choice of priorities is ultimately driven by the government's priorities as well as CDB's advice and priorities, this is an area which merits full consideration, and CDB could highlight the potential benefits of leveraging its experience and networks in this pursuit¹¹.

3. The cross-cutting theme of gender equality should feature both effective mainstreaming as well as targeted approaches. In taking this forward, CDB should leverage its relationships with UN Women's multi-country office in Barbados, which supports gender capacity building in Suriname. The establishment by the Government of Suriname in 2019 of a new Gender Action Plan and Gender Vision 2021-35, along with other positive signals from the new administration, is a

¹¹ In discussions on this report at draft stage it was noted that CDB does support aspects of regional integration in other ways, though indirectly, through facilitating regional cooperation/ regional projects/ working through CARICOM and with other regional agencies such as CDEMA, and Caribbean Export Development Agency.

positive development. There are nonetheless important nuances in the national context and effective strategies will need to reflect deep understanding.

4. CDB should further invest in building its understanding of the new environmental law, to ensure readiness for resumption in capital project lending. The new environmental framework law, adopted in 2020, has important implications for how all investment projects are appraised and approved. Currently, IDB is engaging with NIMOS to understand the issues and review alignment with MDB standards.

5. CDB should ensure that its assistance in the agriculture sector is framed by a coherent set of objectives for strengthening the broader governance of the sector, as opposed to isolated projects. CDB should also consider whether to develop more strategic alliances in the agriculture sector, which offers significant potential although to date it has been accorded less priority relative to the extractive industries. This could include, for example, building alliances with IICA, which has on the ground technical expertise, and building on earlier collaboration with FAO Investment Centre.

6. CDB should replace the current arrangement with MoFP as the coordinator for BNTF¹² : and should ensure that the Bureau of Gender Affairs is also involved. The Office of Planning (“Plan Bureau”) under the MoFP appears a more suitable unit than MoFP itself for oversight. It has a register of organizations and groups, strong links with other ministries and many organizations. It coordinates the implementation of projects on various themes, including poverty reduction and gender. Ensuring that the Bureau of Gender Affairs is involved in the coordination arrangement is essential to ensuring that gender is mainstreamed in the projects that are to be executed.

¹² To be validated – NY to discuss with Universalia.

8 Management Response

Management considers the findings and conclusions of the Country Strategy and Programme Evaluation (CSPE) to be broadly consistent with Management's own experience regarding issues pertaining to Country Strategy (CS) design and implementation. Operations' own CS Completion Report (2014-2018) found that strategy design was highly relevant and well aligned with Suriname's developmental priorities, but implementation was not satisfactory due to key challenges which included limited ownership and country uptake that will need to be more strongly anchored in country programming and pipeline management.

Recommendations	Management Comments / Responses (Accepted/ Accepted but Modified/Rejected)	Commitments/Actions	Responsibility Centre	Target Completion Date (Y/M/D)
1. The new CS should incorporate arrangements suitable to the challenges of building a stronger relationship with a relatively new borrowing member that has distinct cultural, linguistic, and political characteristics.	Accepted Management acknowledges that working effectively in Suriname will require building stronger working relationships. To strengthen relationships, the preparation of the new CS must incorporate arrangements to deepen country dialogue and enhance country knowledge. As part of the Office of the President's outreach in April 2022, a high-level meeting was held between the President and the Government of Suriname (GOS). CS engagement will also incorporate high-level discussions. The introduction of periodic portfolio and	The Bank commits to maintain and deepen dialogue with Suriname actioned through high-level engagements with country officials and continuous follow up including portfolio performance discussions. The CS mission will be led by a high-level Bank delegation. In addition, programme monitoring will involve increased country follow-up, intensive cooperation with donors on the ground and more targeted country support in areas of procurement and other areas where implementation bottlenecks have been identified.	CS Team, coordinated by Economics Department, Director of Projects Department's Office	The preparation of a new CS for Suriname has been delayed pending the completion of GOS' debt restructuring. The exact timing will depend on country readiness.

Recommendations	Management Comments / Responses (Accepted/ Accepted but Modified/Rejected)	Commitments/Actions	Responsibility Centre	Target Completion Date (Y/M/D)
	project reviews will provide for more flexibility and adaptation that should assist with relationship building.	The new CS, once approved, will be reviewed on a periodic basis to ensure continued relevance of the strategy and its timely implementation and development effectiveness.	CS Team, coordinated by Economics Department	The preparation date for the Mid-Term Review will be defined once the CS is approved.
		CDB will re-visit consideration for engaging a resident implementation officer for Suriname to facilitate tackling specific challenges and delays. Arrangements could be taken in cooperation with other donors with in-country presence.	Director of Projects Department's Office	Specific timing contingent on country readiness.
2. Facilitating Suriname's integration into the regional economy should be considered as a potentially important area for discussion when consulting with GOS on priorities in the new CS.	Accepted The integration of Suriname into the regional economy is consistent with the Bank's regional integration agenda for the continued development of Borrowing Member Countries (BMCs).	Consultations will be held with key government and private sector entities during CS engagement to identify interventions that would contribute to the greater integration of Suriname into the regional economy, both in terms of trade and providing support to other BMCs in areas where Suriname has a comparative advantage.	Private Sector Division	Specific timing contingent on country readiness.
		Sector specific initiatives include assisting Suriname with the development of a National Qualifications Framework based on the Regional Caribbean Qualifications Framework.	Social Sector Division (SSD)	2023/12/31

Recommendations	Management Comments / Responses (Accepted/ Accepted but Modified/Rejected)	Commitments/Actions	Responsibility Centre	Target Completion Date (Y/M/D)
3. The cross-cutting theme of gender equality should feature both effective mainstreaming, as well as targeted approaches. In taking this forward, The Bank should leverage its relationships with United Nations (UN) Women's multi-country office in Barbados.	<p>Accepted</p> <p>The Development of the Gender Policy and the Action Plan by Suriname in 2019 and the Gender Equality Policy and Operational Strategy (GEPOS) at the Bank now provides a good platform for further fostering gender mainstreaming and gender responsive actions. These frameworks will further support the Bank's strategic focus and will further enable collaboration and country specific coordination and collective action around gender equality priority areas and gender responsive programming.</p> <p>Partnership is a guiding principle for implementation of GEPOS. The Bank has a strong relationship with UN Women and has partnered with the agency on several key interventions over the past few years. Partnership extends beyond UN Women to other regional and international agencies. The Bank is a member of the regional Donor Gender Working Group (GWG), as well as the Multilateral Development Bank GWG.</p>	Leveraging these alliances and continuing to strengthen in-country partnerships around achieving gender equality goals and streamlining the focus on the key elements of the GEPOS Framework in the development of the CS will be a key strategic approach to supporting GOS in its endeavours to implement its Gender Policy and Action Plan.	SSD	Specific timing contingent on country readiness.

Recommendations	Management Comments / Responses (Accepted/ Accepted but Modified/Rejected)	Commitments/Actions	Responsibility Centre	Target Completion Date (Y/M/D)
<p>4. The Bank should further invest in building its understanding of the new environmental law, to ensure readiness for resumption in capital project lending.</p>	<p>Accepted</p> <p>The new Environmental Act was promulgated after the expiry of the CS. The Bank is engaging GOS and other development partners with a view of identifying areas of support in environmental and disaster resilience that are aligned to the Bank's Strategic Plan Update, main Special Development Fund 10 themes and the goal of allocating 20%-30% of the Bank's resources to climate finance.</p>	<p>The Bank is committed to supporting GOS in accelerating the implementation of measures for the protection and sustainable management of Suriname's environment within the framework of the newly established Environmental Protection Act, 2020. The Bank has already commenced initial discussions with GOS towards designing an Environmental Sector Policy-based Loan (PBL) for Suriname as part of the new CS. This will help to implement critical environmental reforms in support of achieving the broad goals of the Environment Act.</p>	<p>Environmental Sustainability Unit</p>	<p>Timing of PBL will depend on new CS.</p>

Recommendations	Management Comments / Responses (Accepted/ Accepted but Modified/Rejected)	Commitments/Actions	Responsibility Centre	Target Completion Date (Y/M/D)
5. The Bank should ensure that its assistance in the agriculture sector is framed by a coherent set of objectives for strengthening the broader governance of the sector, as opposed to isolated projects. The Bank should also consider whether to develop more strategic alliances in the agriculture sector.	<p>Accepted</p> <p>The recommendation is consistent with the Bank's current approach to engaging BMCs.</p> <p>In the case of GOS, the only agriculture sector intervention approved by the Bank's Board of Directors includes support for identifying and prioritising agricultural sector investments and was co-financed by the Islamic Development Bank.</p> <p>To revamp the project, the Bank has been recommending, without success, that GOS engage the Food and Agriculture Organisation Investment Center to assist with project implementation.</p>	The Bank will continue to build strategic alliances in the agriculture sector and will ensure that, consistent with its Agriculture Sector Policy and Strategy 2020, interventions are guided by the principles of alignment (with Bank and BMC priorities), selectivity and focus (to maximise development impact) and, where necessary, are undertaken in collaboration with other development partners.	SSD	N.A
6. The Bank should revisit the current arrangement with the Ministry of Finance and Planning as the coordinator of the Basic Needs Trust Fund (BNTF). There may be alternative institutional arrangements, more grassroots oriented, which	<p>Rejected</p> <p>The BNTF Implementation Agency (IA) in Suriname and two other BMCs (Guyana and St. Vincent and the Grenadines) are located in the Ministry of Finance/Department of Planning. Various evaluations of the BNTF programme have not found any</p>	The Bank will continue to build capacity within the IA team through online and face-to-face training throughout the project cycle, as necessary.	SSD	N.A

Recommendations	Management Comments / Responses (Accepted/ Accepted but Modified/Rejected)	Commitments/Actions	Responsibility Centre	Target Completion Date (Y/M/D)
facilitate more effective implementation during BNTF 10.	<p>direct correlation between Line Ministry and programme effectiveness. The location of the IA is based on an independent review of the situation in Suriname, particularly civil society organisation arrangements. The BNTF implementation processes throughout the project management cycle (especially during the appraisal phase) and the organisational structure of BNTF are established to promote continuous engagement with communities and the most vulnerable.</p> <p>Suriname entered the BNTF programme in its ninth cycle with an IA staff composition of a Project Manager, Community Liaison Officer, and Accounts Officer with the support of the United Nations Development Programme. There was a steep learning curve for the IA team. It is anticipated that under BNTF 10, implementation effectiveness will be improved as the IA staff are now fully trained and have acquired the necessary experience to improve overall programme performance.</p>			

Annex A: Terms of Reference

TERMS OF REFERENCE

COUNTRY STRATEGY PROGRAMME EVALUATION

BELIZE

OFFICE OF INDEPENDENT EVALUATION

MARCH 2021

CURRENCY EQUIVALENT

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

ABBREVIATIONS

%	-	per cent
CAS		Country Assistance Strategy
CC	-	Climate Change
CDB	-	Caribbean Development Bank
CGA	-	Country Gender Assessment
CPA	-	Country Poverty Assessment
CSPE	-	Country Strategy Programme Evaluation
CSP	-	Country Strategy Paper
DRM -	-	Disaster Risk Management
EE	-	Energy Efficiency
GDP	-	Gross Domestic Product
GE	-	Gender Equality
GOBZ	-	Government of Belize
GSDS -		Growth and Sustainable Development Strategy
HDR	-	Human Development Report
IDB	-	Inter-American Development Bank
MTDS	-	Medium-term Development Strategy
M&E	-	Monitoring and Evaluation
NC	-	Necessary Condition
OIE	-	Office of Independent Evaluation
PFM	-	Public Financial Management
RMF	-	Results Management Framework
SDF	-	Special Development Fund
TA	-	Technical Assistance
UK- CIF	-	United Kingdom Caribbean Infrastructure Fund

CONSULTANCY SERVICES FOR THE BELIZE
COUNTRY STRATEGY AND PROGRAMME EVALUATION (2011-2015; 2016-2020)

TERMS OF REFERENCE

1. INTRODUCTION

1.01 Country Strategy and Programme Evaluations (CSPEs) assess the Caribbean Development Bank's (CDB) overall support to a Borrowing Member, assessing the Bank's strategy, policy dialogue, completed and ongoing projects, and technical assistance (TA). It reflects on the Bank's performance over a given timeframe and provides lessons to inform future strategy and operations changes.

1.02 To date, there has not been a CSPE for Belize. A CSPE at this time would provide a valuable baseline on the performance of Bank programming in Belize, particularly as the current Country Strategy Paper (CSP) (2016-20) is due for a renewal in 2021. The intended audience would be the Board of Directors, CDB management, the Government of Belize, and other development partners.

1.03 OIE proposes to undertake a CSPE for Belize that would assess whether CSP operations from 2011-2020 were consistent with the country's development needs and Government priorities (based on the 2010-2013 Medium-term Development Strategy and the 2016-2019 Growth and Sustainable Development Strategy) and with the objectives identified by the Bank in its 2011-2015 and 2016-20 CSPs. The CSPE will examine the extent to which the program made progress in achieving its outcome targets and the factors that affected the program's implementation and sustainability of the results achieved. The Belize CSPE is part of OIE's work plan for evaluation activity, approved by the Oversight and Assurance Committee.

1.04 The CSPE will seek to provide credible and reliable information on CDB's performance at the country level in Belize to enable lessons and recommendations to be drawn that may improve the development effectiveness of the Bank's future strategies and country assistance programming. It aims to analyse CDB's relationship with Belize, taking an independent and comprehensive view in assessing the programme's relevance, efficiency, effectiveness and sustainability, and provide valuable inputs into the next CSP for Belize.

2. CONTEXT OF THE COUNTRY PROGRAMME

2.01 Belize is located on the eastern coast of Central America, bordered by Mexico to the North, Guatemala to the West and South, and the Caribbean Sea to the East. It is the only country in Central America with English as the official language. The total land area is 22,966 square kilometres (km²) (8,867 square miles [m²]), with a resultant population density of approximately 16 persons per km². The territory includes a wide range of ecosystems and a great diversity of species. It has the world's second-longest barrier reef, enjoying protection under the World Heritage designation. An estimated 2.8% of the country's overall territory is designated for conservation. Forest cover is estimated at 75% of the land area. The country's Mayan archaeology, beautiful landscapes and sea vistas contribute to its increasing popularity as a tourism destination.

2.02 In 2015, the population was estimated at 368,310, up from the 2010 census figure of 324,500. The population is almost evenly divided between males and females and has been growing rapidly in recent years. The average annual population growth was 2.65% between 2000 and 2010 and has only fallen slightly to 2.3% per annum between 2010 and 2015. The high population growth rate has been influenced mainly by a high crude birth rate and immigration from neighbouring countries. Other factors, such as declining death and infant mortality rates, have also contributed to population increase. The

country also has a very high youth population. In 2015, about 36% of the population was under 15 years old and 71% under 35 years old.

2.03 In the 35 years since independence, Belize has progressed from a mono-crop economy mainly dependent on sugar to a reasonably diversified, globally-integrated, upper-middle-income economy. It has successfully leveraged its abundant natural resources for primary sector activities, including agriculture, fishing and forestry; secondary activities such as agro-processing, petroleum production and light manufacturing; and tertiary sector activities, especially tourism. However, at the same time, growth has exhibited a high degree of volatility, attributable primarily to the country's vulnerability to environmental risks, for example, natural disasters and CC, as well as economic risks such as terms of trade shocks (e.g. commodity price shocks); downturns in key trading partners; and adverse changes in the international regulatory environment.

2.04 Significant development challenges based on the 2016-20 CSP included:

- a) Economic growth has slowed in recent years, as the economy has not fully recovered from the 2007-09 Great Recession. The economy grew by just 1% in 2015, mainly driven by growth in the services sector, particularly tourism.
- b) Unemployment fell to 8% in 2016, although underemployment increased in 2016.
- c) The last Country Poverty Assessment (CPA) (2009) showed high levels of poverty (42%) and indigence (15.8%). Belize still experiences significant social issues that adversely affect vulnerable groups, including the elderly, women, youth, and persons with disabilities (PWDs).
- d) Data from the 2015 Human Development Report (HDR) provided a Multidimensional Poverty Index (MPI) for the country based on findings of a 2011 survey. It recorded an MPI of 0.03, where 7.4% of the population live in households that suffer from multiple deprivations in education, health and living standards.
- e) Belize is also exposed to a range of impacts from global climate change (CC), of which sea-level rise, increases in coastal flooding due to storm surge and extreme rainfall events, increased intensity of tropical storms, and ocean warming and acidification are of most significant concern. Belize is one of the countries considered most vulnerable to the adverse impacts of climate variability and CC due to its: long, low-lying coastline, barrier reef and forest cover, each of which supports fragile ecosystems; and vulnerability to natural disasters, especially hurricanes.
- f) Belize is characterised by a relatively high energy intensity compared to some other countries in the Americas and the Caribbean Region and is among the top third in the world for fuel consumption per capita. The transportation sector is highly dependent on fossil fuels. According to BEL, 42% of Belize's electricity requirements is imported from Mexico, and the remaining 58% is produced domestically: 39% hydro, 14% biomass, and 5% fossil fuels.

3. BELIZE'S DEVELOPMENT PRIORITIES

3.01 Belize's development priorities going forward are underpinned by the long-term Overall Goal that 'Belize is a country of peace and tranquillity, where citizens live in harmony with the natural environment and enjoy a high quality of life.' Achieving this Overall Goal is the focus of 'Horizon 2030: National Development Framework for Belize 2010-2030'. This overall goal is supposed to be achieved through a series of medium-term development plans, which started in 2010 with the Medium-term Development Strategy (MTDS) (2010-13) and continued with the 2016-19 Growth and Sustainable Development Strategy (GSDS). The GSDS is based on a Framework for Sustainable Development, which comprises four Critical Success Factors (CSFs) for achieving the Overall Goal, a detailed set of Necessary Conditions (NCs), and identified actions essential to achieving the CSFs.

3.02 The 2010-2013 MTDS incorporates measures to improve the economic and social structures and the capacity of its citizens to embrace economic opportunities in the face of the ongoing economic crisis and to proactively manage economic shocks and natural disasters. In that regard, measures are proposed to support the continued development of traditional and emerging industries and the expansion of small, medium and micro-enterprises. Aligned to this, measures are proposed to increase the country's trade capacity and competitiveness.

3.03 The 2016 – 2019 GSDS envisages that Belize achieves real economic growth of 5% annually over a prolonged period. While this growth rate is not expected in the short run, efforts commenced in the GSDS period of 2016-19 to facilitate such sustained increases. These generally prioritised actions in the first GSDS planning period include measures to: (i) maintain macroeconomic stability and improve fiscal space for the financing of other development efforts; (ii) develop basic infrastructures such as water, sewage, waste disposal, and connectivity; (iii) improve institutional performance and overall governance, including public service delivery; (iv) enhance citizen security; (v) improve access to, and the quality of, education and healthcare; (vi) mainstream CC and ecosystem management considerations into economic development planning; and (vii) set the stage for achieving greater efficiency during the second planning period.

4. THE CDB'S COUNTRY STRATEGY IN BELIZE

4.01 **2010-2015:** the CSPS addresses poverty in Belize on several fronts. Given the need to enhance growth as an anchor for poverty reduction, the strategy aims at assisting Belize to strengthen the environment and institutional framework for sustainable growth. Hence, the proposed interventions were designed to contribute to the following outcomes: (i) maintenance of a stable macroeconomic environment; (ii) improved PFM; and (iii) enhanced environment for output growth.

4.02 The **2010-2015** CSPS intended to improve the opportunities for persons to escape poverty, increasing inclusivity and reducing vulnerability. Thus, other proposed CDB interventions aimed to achieve the following additional outcomes: (i) improved quality and access to education and training (ii) enhanced social and community development; and (iii) improved environmental and DRM.

4.03 **2016-2020:** The Strategy is framed within the following context: (a) policy dialogue with key policymakers and stakeholders and consideration of the GSDS; (b) the country's financial/fiscal capabilities; and (c) development partners' activities in the country. It is consistent with CDB's Strategic Objectives of promoting broad-based economic growth and social development and promoting good governance. GE, as well as EE considerations, is mainstreamed in CDB's operations. The Strategy rests on three pillars: (i) inclusive social and economic development; (ii) environmental sustainability; and (iii) governance and institutional development, all of which would guide specific sectoral interventions to achieve particular development outcomes.

4.04 The **2016-20** CSP is mapped onto the planning pillars as identified in the country's GSDS, with the following thematic outcomes: (i) increasing Competitiveness and Productivity, (ii) improved Quality and Access to Education and Training, (iii) Improved Social Sector Outcomes, (iv) enhanced Environmental Management and Reduced Vulnerability to Natural Disasters, (v) improved Governance and Development Planning.

4.05 The **2016-2020** strategy proposes that CDB and GOBZ seek to include appropriate gender analysis elements and sex-disaggregated data in planning, implementation, and M&E at the sector,

programme and project levels. The CSP states that CDB uses a Results Management Framework (RMF) to monitor expected sector outcomes of its interventions.

5. THE BANK'S OPERATIONAL PORTFOLIO IN BELIZE 2011-2015 and 2016 – 2020

5.01 For the 2011-2015 CSP the Bank has approved a total of USD172.80 mn.

5.02 A national resource envelope of \$200.4 mn (\$126.4 mn in loan resources and \$74 mn in grant funds) was proposed to support an indicative programme of assistance through 2016-2020. The envelope included Belize's allocation of approximately \$56.4 mn from UK-CIF, plus an indicative amount of \$25 mn from the ninth replenishment of CDB's Special Development Fund (SDF 9). The envelope included a possible Policy-based Loan of \$25 mn to support reforms to unlock Belize's growth potential.

6. EVALUATION USE, APPROACH, AND QUESTIONS

6.01 This evaluation will inform CDB's Board of Directors regarding the performance of Bank interventions in Belize over the 2011-20 period and draw lessons that will inform the preparation of the Bank's new Country Strategy.

6.02 The scope will be two Country Strategies (2011-2015 and 2016-20) and all CDB operations in Belize approved or under execution between January 2011 and December 2020, including loans, grants, technical assistance, policy dialogue and other non-lending activities.

6.03 The evaluation, led by OIE and Consultants, will include the design and implement a robust evaluation approach drawing from the Evaluation Cooperation Group good practice standard for CSPEs. A theory-based approach would be helpful should the CSP not have explicitly identified its intended outcomes and the logic chains intended to achieve them.

6.04 The evaluation questions will have primary application to the 2016 - 20 CSP results framework, but will also take into consideration the previous CSP results framework. The evaluation consultants may reconstruct a Theory of Change as necessary, to help identify plausible causal relationships between inputs, activities and the expected outputs, outcomes and development impacts. In addition to an assessment of performance over the 2011-20 period, the evaluation will present the key issues and lessons for the future, and corresponding recommendations.

6.05 The evaluation will be structured around two main phases: inception and implementation phases.

6.06 Phase I - Inception Phase. During the inception phase, the consultants will gather information on Belize's context by reviewing available documents of the GOBZ, other multilateral institutions, as well as relevant Bank documents related to the CPS, including but not limited to annual country programming documents, loan and grant documents, progress monitoring reports, and project completion reports. Additionally, the consultants will develop a full evaluation design including overall approach, ToC and evaluation matrix; specific evaluation questions; methods; sampling, data collection, and analysis plan; draft interviews and/or survey instruments; measures to ensure ethical conduct and confidentiality; and timeline of activities. The inception phase will constitute the basis for structuring and defining the implementation phase.

6.07 Phase II – Implementation Phase. During the implementation phase, the consultants will engage in the data collection phase through desk review, interviews, focus group discussions, and surveys from relevant stakeholders. Due to the spread of COVID-19 and travel restrictions, the evaluation might need to consider alternative/complementary data collection methods to avoid travelling and ensure stakeholders' protection and safety. A more defined plan of the implementation phase will be detailed during the inception phase.

6.08 The implementation phase will include a desk review including publicly available documents of GOBZ and other multilateral institutions, as well as relevant Bank documents related to its CSP and operational programme in Belize (e.g., annual country programming documents, loan and grant documents, progress monitoring reports, and project completion reports). The desk review will also include data analysis on portfolio implementation and results that are available from the Bank's information systems. Finally, as feasible, the evaluation team will visit project sites and conduct interviews with relevant stakeholders. The desk review phase will benefit from the context scoping work undertaken during the inception phase.

6.09 While detailed questions specific to the country situation will be determined in the inception phase, the following outline the starting point for assessing relevance, coherence, effectiveness, efficiency and sustainability.

6.10 **Relevance.** Relevance measures the alignment of the Bank's programme with the country's development needs and with the Government's development strategies. For this dimension, the CSPE will seek to answer the following questions:

- a) To what extent were the Bank's CSP for Belize, and operational programmes, aligned with the country's development needs and strategies?
- b) To what extent was the CSP aligned with CDB's corporate strategies and priorities?
- c) Were the programme and individual operations designed to be consistent with the Government's institutional capacity for implementation?
- d) Did the indicative financial envelope disburse according to the CSP predictions?
- e) How did the Bank harmonise its support with that of other development partners?
- f) Have relevant gender patterns in the fields of intervention been adequately identified and accounted for in programme/project design and the results framework? Has there been appropriate gender targeting or mainstreaming in interventions?

6.11 **Coherence.** Coherences examines the compatibility of the Bank's CSP with other interventions in Belize, including those that support or undermine the CSP.

- a) To what extent was the Bank's CSP for Belize and operational programmes consistent and / or complementary with other institutional / government interventions in Belize?
- b) To what extent was the Bank's CSP for Belize and operational programmes harmonised, coordinated or complementary with other actors' interventions?

6.12 **Effectiveness.** In assessing the effectiveness of the Bank's programme, the CSPE will seek to answer the following questions:

- a) Were the outcomes of the projects, programmes, and TA interventions, as defined in the original documents approved by CDB, achieved at the time of the evaluation, or (if outcome data are lacking) were outputs underway likely to achieve such outcomes?
- b) To what extent did the Bank's interventions progress toward the strategic objectives set out in the CSP?
- c) Have the Bank's operations, and technical cooperation products had results beyond those proposed?

6.13 **Efficiency** refers to the extent to which programme design, execution and implementation have been cost-effective. As part of the efficiency analysis, the CSPE will include reviewing the factors affecting programme implementation. In this respect, the CSPE aims to answer the following questions:

- a) What were the principal factors affecting programme implementation and achievement of proposed outputs and outcomes (including operational design and portfolio management)?
- b) To what extent has national country systems evolved, and has this helped or hindered programme implementation?
- c) To what extent did the risks identified in the CSP adequately identify operational design elements?

6.14 **Sustainability.** Sustainability measures the likelihood that the programme's results will be maintained over time from a technical, financial, environmental, social, political and institutional perspective. For this dimension, the CSPE will seek to answer the following questions:

- a) To what extent did the programme support the strengthening of national systems?
- b) What is the likelihood that the programme results will be sustainable? What are the critical risks, and how will they be mitigated?

6.15 A methodology that makes the best use of existing secondary data and devises efficient means of primary data collection to support findings and conclusions will need to be developed. It will be based on an adequately representative sample of the loan and grant portfolio to assess Bank performance over the period. Formal ratings of criteria and Bank performance will not be required in this evaluation. Rather, areas of strength and weakness, lessons, and opportunities for improvement will be identified.

7. ASSIGNMENT TIMEFRAME AND DELIVERABLES

7.1 Per the Framework Agreement, OIE will commission IOD PARC, based on satisfactory technical and financial proposals and appropriate team composition.

7.2 It is expected that the evaluation will take place in two steps: i) an inception phase including context scoping, in-depth document review and virtual interview phase; and ii) implementation phase. If feasible, travel to Belize would occur at the end of May 2021. A detailed draft timeline with activities and deliverables is as follows:

Project Timeline

ACTIVITY	DATES
ToR	March 2021
Phase I	April – May 2021
Contract for the inception phase	April 2021
Inception period	April 2021
Inception report	May 2021
Phase II	May – October 2021
Contract for the implementation phase	May 2021
In-depth document review and data gathering	May 2021
Mission to Belize (if possible) or remote data collection	End of May 2021/Early June 2021
Preliminary evaluation report	June - July 2021
Final Report	September 2021
Management Response	October 2021
OAC Review	October 2021

- (a) *Deliverable 1:* The Inception Report will be based on a review of documents and discussions with Bank staff and will include a context analysis, a complete evaluation design including overall approach; specific evaluation questions; methods; sampling, data collection and analysis plan; draft interview or survey instruments; measures to ensure ethical conduct and confidentiality; and calendar of activities. These details will be included for both phases contemplated for this evaluation (virtual meetings and data gathering at the Bank, as well as a possible field visit to Belize, in the case that travel restrictions are lifted). The Inception Report should include an evaluation matrix. Comments from OIE will be provided within two weeks of submission.
- (b) *Deliverable 2:* The Preliminary evaluation report will include the compiled, organised and analysed evidence from the document review, virtual interviews and field mission in Belize (or remote data collection). The report will include high-level lessons and recommendations. Comments to be provided by OIE within two weeks of submission.
- (c) *Deliverable 3:* Final Evaluation Report to include validated findings and conclusions, and will present lessons and recommendations, a strategy for dissemination and a PowerPoint presentation summarising highlights of the evaluation. Comments from OIE (in consultation with the Advisory Group) to be provided within two weeks of submission.

EVALUATION TEAM QUALIFICATIONS

8.01 The evaluation team should compromise individuals with the following expertise:

- (a) Experience in the design and conduct of country strategy and programme evaluations.

- (b) An appropriate mix of qualifications to address the thematic/sectoral areas present in the Belize country portfolio.
- (c) Knowledge of development issues in the Caribbean, including the context of poverty and vulnerability; macroeconomic and public sector management; institutional and policy development; gender equality; social development; education; environmental sustainability.
- (d) Experience working with multilateral banks and government clients.
- (e) Strong inter-cultural communication skills in English.
- (f) Ability to integrate qualitative and quantitative data.
- (g) Strong report writing and presentation skills.

EXECUTION

9.01 The consultants will report to CDB's OIE, which will provide overall direction and guidance and approval of deliverables. OIE will retain responsibility for the overall quality and integrity of the evaluation.

Annex B: List of Interviewees

CDB officials

- Daniel Best
- Diana Wilson-Patrick
- Ken Aldonza
- Zayid Alleyne
- William Ashby
- Martin Baptiste
- Peter Blackman
- Malcolm Buamah
- Jason Cotton
- Idamay Denny
- Cheryl Dixon
- Ian Durant
- Takem Enaw
- Doug Fraser
- Valerie Isaacs
- Laverne Louard-Greaves
- Stephan Maier
- Hope Peterson
- Dwayne Squires
- Luther St Ville
- Michel Thomas

Interviewees in Suriname and partners

Organisation	Key informant	Job title
Bureau of Gender Affairs.	Shiefania Jahangier	Deputy Head of BGA
Bureau of Gender Affairs	Reevena Soekhlal	
Bureau of Gender Affairs	Detie Darsan Jagan	
Debt Management Office (SDMO)	Adelien Wijnerman	Administrator General
Debt Management Office	Charlene Soetnik	Front Office Manager
Debt Management Office	Jonathan Vangee, Radijn Wens	
EBS (Energiebedrijven, Suriname)	Jerry Aseja	Chief Engineer

Organisation	Key informant	Job title
EBS (Energiebedrijven, Suriname)	Faye Graanoogst,	Senior Environmental Technician HSEQ Division EBS
EBS (Energiebedrijven Suriname)	Shamir Bakridi	Programme Coordinator, Street Lighting retrofit & AMI project
Kamer van Koophandel en Fabrieken (KKF) (Chamber of Commerce and Industry)	Paul de Baas	Vice Chairman
Ministry of Education, Science & Culture (MOWC).	Carol Nijbroek	outgoing ETVET project manager
Ministry of Regional Development and Sports – BNTF Office	Ficenca Raquel ELIZA	Community Liaison Officer
Ministry of Regional Development and Sports– BNTF Office	Telina VAN COOTEN	BNTF Project Manager
Ministry of Regional Development and Sports	Mr. Maverick Boejoekoe	Permanent Secretary
National Institute of Environment and Development in Suriname (NIMOS).	Cedric Nelom	Director
Suriname Business Forum/ Business Development Centre (SBC)	Ratan Kalka	Executive Officer
SWM (Suriname Water Company)	Ashwinie Boedhoe-Hemai,	Project Coordinator
Inter-American Institute for Cooperation on Agriculture (IICA).	Curt Delice	Special Affairs Coordinator/ IICA Representative Suriname
IDB	Mariko Russell	Chief of Operations
IDB	Jeetendra Khadan	Country Economist
IMF	Bahrom Shukrov	Senior Desk Officer (interviewed for Ali Alich)
IMF	Wai-Yip Alex Ho	Economist
IMF	Tom Dowling	Economist
Islamic Devt Bank	Nedzad Ajonovic	IsDB Partnership Unit
Islamic Devt Bank	Sobir Komilov	Regional Hub Manager
Islamic Devt Bank	Ilker Kayhan,	Operations Team Leader
UNDP Suriname	Ruben Martoredjo	Programme Associate

Annex C: List of Documents Reviewed

Title	Reference year(s)
CDB Annual Reports	2014 - 2019
Annual review of the performance of the portfolio of projects/loans under implementation	2012 – 2017 and 2019
Development effectiveness review	2014 - 2019
CDB Agricultural sector policy and strategy (March)	2020
Youth policy and operational strategy	2019
Education policy	2017
Governance and institutional policy and operational strategy (draft)	2017
Procurement policy and procedures for projects financed by CDB	2019
Private sector development strategy (October)	2016
Technical assistance policy and operational strategy	2012
Gender equality policy and operational strategy	2019
Climate resilience strategy 2019-2024	2018
CDB Strategic plan 2015-2019 (draft)	2014
CDB Strategic plan 2020-2024	2019
Independent evaluation of technical assistance by CDB: volume 1 (Core technical assistance) and volume 2 (CTCS)	2020
Readiness and preparatory support : proposal template for the Green Climate Fund (v.06)	2019
Proposed agenda for CDB country strategy mission to Suriname	2014
Enhancement of technical and vocational education and training at the lower secondary school level in Suriname : Corrigendum and staff appraisal report (December)	2014
Mid-term evaluation of the enhancing technical and vocational education and training (ETVET) at lower secondary school level in Suriname. Loan no. 1/SFR-OR-SUR	2020
Energy sector policy-based loan: Staff appraisal report (May)	2016
Energy sector policy-based loan: Project supervision report	2017
Energy sector policy-based loan: Project completion report	2017
Power project – Suriname electricity system upgrade and expansion : corrigendum and staff appraisal report (December)	2016
Expansion plans report (November)	2018
Power Expansion Project Suriname : quarterly project status reports	Various 2018, 2019, 2020
Electricity system upgrade and expansion project : monthly progress report (April, May, July, August)	2020

Power project – Suriname electricity system upgrade and expansion : minutes of meeting	2020
Supervision of Street Lighting Retrofit and advanced Metering Infrastructure Project : biweekly project status report	2019
Street lighting retrofit and advanced metering infrastructure Suriname: Variation of terms and conditions (June)	2020
Street Lighting Retrofit and Advanced Metering Infrastructure Project: Annual financial plan	2020
Technical assistance: Neighbourhood policing - safety and security enjoyed, respected, and valued by everyone in Suriname (SSERVE)	2017
Technical assistance proposal: Institutional strengthening – Ministry of Finance, Suriname	2017
Solar power capacity building intervention Suriname electric utility – Suriname	2016
Solar Power Capacity Building Intervention : Project supervision reports	2016 - 2017
Technical assistance proposal: Feasibility study to upgrade water supply facilities – Suriname	2016
Feasibility Study to Upgrade Water Supply Facilities : Project supervision reports	2016 - 2018
National Policy Development Plan 2017-21 Suriname	2017
CDB Country Economic Review : Suriname	2019
COVID-19: Socioeconomic Implications on Suriname – IDB (May)	2020
Development partnership with Suriname: Multilateral and bilateral overview contribution – IDB (May)	2019
Country program evaluation IDB : Suriname 2011-15	2016
IDB Country development challenges : Suriname (March)	2016
IDB Country strategy : Suriname 2016-2020 (November)	2016
World Bank Suriname Country partnership strategy 2015-2019: Performance and learning review	2018
Suriname sector competitiveness analysis: World Bank Group	2017
Doing Business 2020: Economy profile Suriname World Bank Group	2020
IMF Country Report: Article IV consultation Suriname	2019
Monitoring the situation of children and women: multiple indicator cluster survey Ministry of Social Affairs, General Bureau of Statistics and UNICEF (July)	2019
Global Markets: Suriname	2019
Reducing the use and release of mercury by artisanal and small-scale gold miners in Suriname : Review of the Suriname ASGM sector	2016

Annex D: Evaluation Matrix

Relevance	Evaluation Questions	Methodologies/data sources
	1. To what extent were CDB's CSP for Suriname, and operational programmes, aligned with the country's development needs, strategies and interventions ? (adapted TOR)	<ul style="list-style-type: none"> • Document review/context analysis: GOS national and sector strategies; IDB, WB, IMF country situation analyses/appraisal assessments • Semi-structured interviews with key informants
	2. To what extent was the CSP aligned with CDB's own corporate strategies and priorities? (TOR)	<ul style="list-style-type: none"> • Document review: CDB corporate strategies and CSP documentation; Semi-structured interviews with CDB senior management
	3. Were the programme and individual operations designed in a manner consistent with the Government's institutional capacity for implementation? (TOR)	<ul style="list-style-type: none"> • Document review: Loan and grant agreements; PSRs and PCRs • Semi-structured interviews with key GOS / executing agency staff, project consultants and CDB staff
	4. Have gender equality issues been adequately identified and accounted for in programme/project design and the results framework? Has gender targeting or mainstreaming been appropriate in interventions? (adapted TOR)	<ul style="list-style-type: none"> • Document review: Loan and grant agreements; PSRs and PCRs to determine the consideration/ treatment of gender issues; • CSPE team review of adequacy of approach proposed

Coherence	Evaluation Questions	Methodologies/data sources
	5. To what extent was CDB's CSP for Suriname and operational programmes harmonised, coordinated or complimentary with other actors' interventions? (TOR)	<ul style="list-style-type: none"> • Mapping of other actors' interventions / engagement strategies • Mapping of coordination mechanisms/dialogue platforms, participation and roles • Document review: other actors' project appraisal documents, evaluations etc. • Semi-structured interviews with development partners
	6. Extent of internal coordination between CDB's units (added)	<ul style="list-style-type: none"> • Document review of Loan and grant agreements; PSRs and PCRs; BNTF support, CDB policy documents • Semi-structured interviews with CDB staff
Effectiveness	Evaluation Questions	Methodologies/data sources
	7. Were approved outcomes of projects, programmes, and TA interventions achieved or (if outcome data are lacking) are outputs underway likely to achieve such outcomes? (TOR)	<ul style="list-style-type: none"> • Document review: CDB project data, appraisal documents, PSRs, PCRs, ARPPs, DERs • Where necessary, Evaluation team 'plausibility' assessment of results chain. • Semi-structured interviews with programme leads and GOS counterparts, private sector and civil society key informants. • <i>Site visits</i>
	8. To what extent did CDB's interventions make progress toward the strategic objectives set out in the CSP and CDB's corporate objectives from Suriname's membership? (adapted from TOR)	<ul style="list-style-type: none"> • Document review: secondary data for Suriname economic and social trends (various sources); CDB ARPPs, DERs, evaluations • Semi-structured interviews with programme leads and GOS counterparts • Evaluation team 'plausibility' assessment Strategic objectives and CDB contributions

Coherence	Evaluation Questions	Methodologies/data sources
	5. To what extent was CDB's CSP for Suriname and operational programmes harmonised, coordinated or complimentary with other actors' interventions? (TOR)	<ul style="list-style-type: none"> • Mapping of other actors' interventions / engagement strategies • Mapping of coordination mechanisms/dialogue platforms, participation and roles • Document review: other actors' project appraisal documents, evaluations etc. • Semi-structured interviews with development partners
	6. Extent of internal coordination between CDB's units (added)	<ul style="list-style-type: none"> • Document review of Loan and grant agreements; PSRs and PCRs; BNTF support, CDB policy documents • Semi-structured interviews with CDB staff
	9. Have CDB's operations and technical cooperation products had results beyond those proposed?	<ul style="list-style-type: none"> • Document review: PSRs/PCRs • Semi-structured interviews with programme leads and GOS counterparts, private sector and civil society key informants. • <i>Site visits</i>
	10. To what extent did the CSP's approach to gender equality achieve its objectives?	<ul style="list-style-type: none"> • Document review: PSRs, PCRs, APPRs, Evaluations, CDB Gender Policy • Semi-structured interviews with programme leads, GOS counterparts and civil society key informants.
Efficiency	Evaluation Questions	
	11. Did the indicative financial envelope disburse according to the CSP predictions? (TOR)	<ul style="list-style-type: none"> • Document review: CDB appraisal documents, financial and project data • Semi-structured interviews with financial leads
	12. What were the principal factors affecting programme implementation and achievement of proposed outputs (including operational design and portfolio management)? (adapted TOR)	<ul style="list-style-type: none"> • Document review: appraisal documents, PSRs, PCRs, evaluations, ARPPs, DERs • Semi-structured interviews with programme leads and GOS counterparts and other donors (for comparative experiences)

Coherence	Evaluation Questions	Methodologies/data sources
	5. To what extent was CDB's CSP for Suriname and operational programmes harmonised, coordinated or complimentary with other actors' interventions? (TOR)	<ul style="list-style-type: none"> • Mapping of other actors' interventions / engagement strategies • Mapping of coordination mechanisms/dialogue platforms, participation and roles • Document review: other actors' project appraisal documents, evaluations etc. • Semi-structured interviews with development partners
	6. Extent of internal coordination between CDB's units (added)	<ul style="list-style-type: none"> • Document review of Loan and grant agreements; PSRs and PCRs; BNTF support, CDB policy documents • Semi-structured interviews with CDB staff
		<ul style="list-style-type: none"> • <i>Site visits</i>
	<i>To what extent has the use of national country systems evolved and has this helped or hindered programme implementation? (TOR)</i>	<ul style="list-style-type: none"> • <i>Not clear if relevant,</i>
	13. To what extent did the risks identified in the CSP adequately identify operational design elements? (TOR)	<ul style="list-style-type: none"> • Document review: appraisal documents, PSRs, PCRs, evaluations, ARPPs, DERs • Semi-structured interviews with programme leads and GOS counterparts and other donors (for comparative experiences) • <i>Possible comparative analysis with approaches in other BMCs</i> • <i>Possible comparative analysis of unit management costs in Suriname with operations in other BMCs</i>
	14. How flexible was CDB in responding to changing circumstances in Suriname? (added to TOR)	<ul style="list-style-type: none"> • Semi-structured interviews with programme leads and GOS counterparts and other donors (for comparative experiences)
	Σ Evaluation Questions	

Coherence	Evaluation Questions	Methodologies/data sources
	5. To what extent was CDB's CSP for Suriname and operational programmes harmonised, coordinated or complimentary with other actors' interventions? (TOR)	<ul style="list-style-type: none"> • Mapping of other actors' interventions / engagement strategies • Mapping of coordination mechanisms/dialogue platforms, participation and roles • Document review: other actors' project appraisal documents, evaluations etc. • Semi-structured interviews with development partners
	6. Extent of internal coordination between CDB's units (added)	<ul style="list-style-type: none"> • Document review of Loan and grant agreements; PSRs and PCRs; BNTF support, CDB policy documents • Semi-structured interviews with CDB staff
	15. To what extent did the programme support the strengthening of national systems?	<ul style="list-style-type: none"> • Document review: project design and monitoring reports • Semi-structured interviews with programme leads and GOS counterparts
	16. What is the likelihood that programme results will be sustainable? What are the critical risks and how will they be mitigated?	<ul style="list-style-type: none"> • Semi-structured interviews with programme leads, CDB staff and GOS counterparts • Document review: OIE evaluations, PCRs