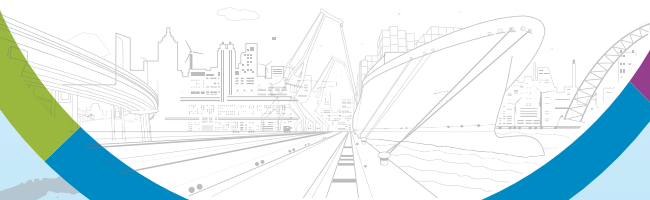




THE UK CARIBBEAN INFRASTRUCTURE PROGRAMME



BELIZE



JAMAICA

ANTIGUA & BARBUDA

MONTSERRAT

DOMINICA

ST LUCIA

ST VINCENT & THE GRENADINES

GRENADA

GUYANA



4,404,661 people



£300 million

BOOSTING DEVELOPMENT AND GROWTH

On September 30, 2015 in Kingston, Jamaica, UK Prime Minister David Cameron announced that the UK government would invest £300 million in vital new infrastructure such as roads, bridges and ports to help drive economic growth and development across the Caribbean region.

This paved the way for the establishment of the UK Caribbean Infrastructure Partnership Fund with the Caribbean Development Bank. The UK-CIF will support 8 ODA-eligible Commonwealth Countries and one ODA-eligible Overseas Territory in creating critical economic infrastructure that can set the foundations for growth and prosperity, poverty reduction and improved resilience to climate change.

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GRANTS – NOT A LOAN

The infrastructure fund will use money from the UK's existing aid budget to provide grants over four years for a range of projects that will help boost growth and trade across the region and create jobs.

UK-CIF will provide grants to build economic infrastructure in DFID's focus ODA-eligible countries in the Caribbean: **Antigua and Barbuda, Belize, Dominica, Grenada, Guyana, Jamaica, Saint Lucia, St Vincent and The Grenadines and the UK Overseas Territory - Montserrat**

HOW WILL THE UK-CIF WORK?

CDB's allocation formula for its Special Development Fund will form the basis of the allocation of funds among beneficiaries. The UK-CIF will be used to fund discrete or visible component parts of larger projects and, while co-financing may be used on larger projects for other components, the UK-CIF will always constitute the majority financing.

CDB and DFID will determine whether a contingency allocation should be made as part

of the initial allocation process to allow UK-CIF to respond to emergencies and natural disasters that may occur during the programme. CDB and DFID will jointly assess the progress of implementation at the beginning of year 3 of the programme. Following which, a reallocation of uncommitted resources may be undertaken. Countries that cease to be ODA-eligible will no longer be beneficiaries of UK-CIF as it is an ODA financed fund.

WHICH COUNTRIES CAN APPLY?

The Caribbean countries involved are:

- **Antigua and Barbuda**
- **Belize**
- **Dominica**
- **Grenada**
- **Guyana**
- **Jamaica**
- **Saint Lucia**
- **St Vincent and The Grenadines**
- **The UK Overseas Territory - Montserrat**

Projects can only be submitted by national governments to the CDB for consideration.

ELIGIBLE PROJECTS

- Projects must be designed to provide critical infrastructure which lay the foundations for growth and prosperity, poverty reduction and increased resilience to climate change in the Caribbean. These would include roads; bridges; sea defences; seaports; airports; water/sanitation/wastewater; and irrigation. Renewable energy and energy efficiency projects are also eligible for financing.

Projects such as roads, bridges, sea defences, seaports; airports, water/sanitation/wastewater, and irrigation.

- All interventions must be anchored within CDB's strategic objectives to support inclusive and sustainable growth and development; and promote good governance.
- Only projects that are assessed to be critical drivers of economic growth and able to deliver an Economic Rate of Return of at least 12% or similar qualitative benefits, will be approved for financing.
- Project proposals will also be assessed to ensure that adequate environmental, social and gender safeguards, in accordance with the appropriate CDB policies/guidelines, are incorporated into project design.
- Capital projects as well as projects of a Technical Assistance nature (from feasibility, through to preparation, implementation and evaluation) are eligible for financing from the UK-CIF.
- Projects must be located within one of the 8 ODA eligible counties or the 1 ODA eligible overseas territory.



WHAT ARE THE EXPECTED OUTCOMES?

Direct results up to May 2020

- at least two major or possibly one larger infrastructure project, delivered in each of the focus countries and territories in the following sectors (roads, bridges, renewable energy, water, sea defences and ports, sanitation/wastewater management);
- projects that deliver at least a 12% economic return on investments; and

- flagship projects that demonstrate resilience in design and are capable of withstanding extreme weather events.

OTHER TANGIBLE BENEFITS

- operation and maintenance plans for the UK-CIF's projects in place; and
- improved capacity in governments for the management of operation and maintenance of their infrastructure stock.



INDIRECT BENEFITS

- **Jobs and Improvements in Livelihoods**

Although not directly measured by this programme, wider benefits will be delivered to the poor. The poor will benefit directly through employment in the construction, maintenance and operations of the built assets, and by using the infrastructure services generated by the built assets.

These assets allow them to access markets, health and education facilities, while lower prices for energy would increase overall disposable income and reduce business costs.

The poor can also benefit indirectly as a result of the spill-over effects from the economic growth generated by the infrastructure services. New, cheaper and reliable infrastructure services allow businesses to grow through lower production and transaction costs leading to an

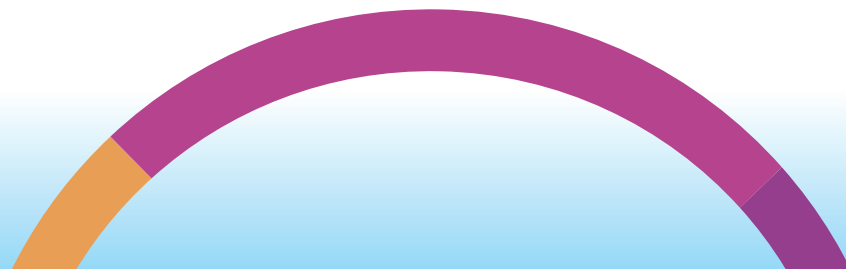
increase in trade. The poor can benefit from the jobs created by these businesses, self-employment opportunities and from governments investing the additional tax revenue generated by the economic growth in public services.

- **Incentivising positive action**

The UK-CIF offers the UK the opportunity to promote a world-class approach to delivering infrastructure that is fully transparent, free from corruption, and consistent with good governance and wider economic reforms that promote growth.

- **Reducing gender inequality**

The promotion of gender equality will be actively pursued in this programme. Investment in infrastructure is seen as an important means to improve the access to services, markets and economic opportunities for both men and women. Possible benefits include improved incomes, better health and improved safety.





ABOUT DFID

The Department for International Development (DFID) leads the UK's work to end extreme poverty. DFID seeks to end the need for aid by

creating jobs, unlocking the potential of girls and women and helping to save lives when humanitarian emergencies hit.

ABOUT THE CARIBBEAN DEVELOPMENT BANK

The Caribbean Development Bank (CDB) is a regional financial institution, established by an Agreement signed on October 18, 1969, in Kingston, Jamaica, and entered into force on January 26, 1970. Members of the CDB are states or territories of the Caribbean region or non-regional states, which are members of the United Nations, or any of its specialised agencies or of the International

Atomic Energy Agency. Its mission is to serve as a leading catalyst for development resources into the Region, working in an efficient, responsive and collaborative manner with Borrowing Member Countries (BMCs) and other development partners, towards the systematic reduction of poverty in their countries through social and economic development.



THE APPLICATION PROCESS

To apply for funding, eligible countries are invited to submit proposals through the established Channel of Communication with the CDB using the **Allocation Request Form**.

The Form is available at
<http://www.caribank.org/programmes/uk-caribbean-infrastructure-fund> and can also be requested from dupigna@caribank.org.

