

TC Document

I. Basic Information for TC

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| ▪ Country/Region: | REGIONAL |
| ▪ TC Name: | ONE Caribbean Data and Research for Impact Phase 1 |
| ▪ TC Number: | RG-T4588 |
| ▪ Team Leader/Members: | Rosenblatt, David Louis (CCB/CCB) Team Leader; Beuermann Mendoza, Diether Wolfgang (CCB/CCB) Alternate Team Leader; Castellon Narvaez Juan Ramon (CCB/CCB); Mendoza Benavente, Horacio (LEG/SGO); Ruddock, Sheries Alethea (CCB/CCB); Dohnert De Lascurain, Sylvia Eva (IFD/CTI); Ramirez Sanchez Indhira (CCB/CCB); Mc Comie-Callender, Rhea (CCB/CCB); Jordan, N. Maria (CCB/CCB); Moncada Martinez Estefhania (CCB/CCB); Scartascini, Carlos (RES/RES); Martel, Pedro V. (CSD/RND); Acevedo Villalobos, Maria Cecilia |
| ▪ Taxonomy: | Research and Dissemination |
| Operation Supported by the TC: | . |
| ▪ Date of TC Abstract authorization: | 03 Oct 2024. |
| ▪ Beneficiary: | The Bahamas, Belize, Barbados, Guyana, Jamaica, Suriname, and Trinidad and Tobago |
| ▪ Executing Agency and contact name: | Inter-American Development Bank |
| ▪ Donors providing funding: | OC Strategic Development Program Window 3 - Transitory Emerging Need for Sustainable Development in the Caribbean(W3B) |
| ▪ IDB Funding Requested: | US\$750,000.00 |
| ▪ Local counterpart funding, if any: | US\$0 |
| ▪ Disbursement period (which includes Execution period): | 24 months |
| ▪ Required start date: | December 6, 2024 |
| ▪ Types of consultants: | Firms and individuals |
| ▪ Prepared by Unit: | CCB-Caribbean Group |
| ▪ Unit of Disbursement Responsibility: | CCB/CCB-Caribbean Group |
| ▪ TC included in Country Strategy (y/n): | N |
| ▪ TC included in CPD (y/n): | N |
| ▪ Alignment to the Update to the Institutional Strategy 2010-2020: | Social inclusion and equality; Productivity and innovation; Economic integration; Institutional capacity and rule of law; Afro-descendants; Gender equality; Diversity |

II. Objectives and Justification of the TC

2.1 At the IDB and IDB Invest Annual General Meeting in 2022, the Caribbean Board of Governors requested the IDB Group to prepare a proposal to “[address] the developing needs of populations in . . . small island developing states, consistent with IDB policies”. As a response to this mandate the IDBG developed the ONE Caribbean Framework, which will apply a “whole of Bank” approach for the identification and prioritization of ambitious and transformational initiatives for the Caribbean.

2.2 ONE Caribbean represents a multi-year, multi-phased, multi-sector approach to promote sustainable and inclusive development in the sub-region. The work program is organized around four pillars: (1) resilience, climate adaptation and disaster risk

management; (2) citizen security; (3) private sector development; and (4) food security. Two cross-cutting areas complement the initiative: strengthening institutions and digital transformation. The seven beneficiary countries are: The Bahamas, Barbados, Belize, Guyana, Jamaica, Suriname, and Trinidad and Tobago. The direct beneficiaries are policy makers across these countries who can use the data and research for the design and implementation of government policies and programs. The direct beneficiaries of the TC are the same as those of ONE Caribbean.

2.3 One long-standing challenge in the Caribbean region is a paucity of quality data and analysis. This limits the ability of policy makers to make informed decisions about economic and social policy, and it hampers the design of investment projects. It also limits the ability of governments, civil society, and the development community to monitor and measure the impact of development interventions.

2.4 The objective of this proposed TC is to improve the availability of data and conduct analysis on that data in order to improve the design of policies and programs supported by ONE Caribbean, with specific emphasis on the four priority and two cross cutting areas. It also aims to generate data that can improve the monitoring and evaluation of ONE Caribbean impacts.

2.5 Phase 1 would be followed by later phases that are described in a separate background document.¹ Specific follow-up activities would include extending Phase 1 activities into more of the beneficiary countries and developing research and data activities for pillars and themes of ONE Caribbean that are not supported in the first phase. These specific activities will be decided in consultation with governments and IDB Group specialists and outlined in future TC documents.

2.6 The proposed TC is aligned with the 2024 Institutional Strategy. The data collection and research activities would improve the understanding of beneficiary countries' progress in achieving the objectives of the Institutional Strategy, in particular the objectives of reducing poverty and inequality and bolstering sustainable growth. It supports the following four areas of operational focus: (i) Productive development and innovation through the Private Sector; (ii) Social Protection and Human Capital Development; (iii) Gender Equality and Inclusion of Diverse Population Groups; and (iv) Institutional capacity, rule of law and citizen security. The TC is also directly aligned to ONE Caribbean [GN-3201-5]. The team will also ensure that data efforts

¹ Please see the document on file under this proposed project: HYPERLINK
"https://idbg.sharepoint.com/:w:/r/teams/ez-RG-T4588/_layouts/15/Doc.aspx?sourcedoc=%7B3753cfbb-bcdb-40d6-ba1b-9c52e45ee772%7D&action=default&mobileredirect=true" https://idbg.sharepoint.com/:w:/r/teams/ez-RG-T4588/_layouts/15/Doc.aspx?sourcedoc=%7B3753cfbb-bcdb-40d6-ba1b-9c52e45ee772%7D&action=default&mobileredirect=true

associated with this TC will explore linkages with other research based TCs that are focusing on building capacity in the region for data collection and management, such as RG-T4607 - Construction of a Statistical Framework to Measure Vulnerability in CARICOM.

^[1] Please see the document on file under this proposed project:
https://idbg.sharepoint.com/:w:/r/teams/ez-RG-T4588/_layouts/15/Doc.aspx?sourcedoc=%7B3753cfbb-bcdb-40d6-ba1b-9c52e45ee772%7D&action=default&mobileredirect=true

III. Description of activities/components and budget

3.1 The proposed TC represents only the first phase of work in support of ONE Caribbean. It would support selected data collection research as a kick-off to further scaling up of data efforts and future new research areas.

3.2 Component 1: Data for Targeting Vulnerable Groups, Designing Effective ONE Caribbean Interventions and Measuring Impact. For the first phase, the TC would support a stock taking of administrative data in two ONE Caribbean countries, assessing the digitalization needs, preparing a plan for anonymization of the data, and a plan for researcher accessibility to the data. This would pave the way for analysis of this data in future phases. The selection of countries would be based on client demand. In terms of Surveys of Living Conditions (SLC), the first phase of work would focus on: (i) follow up work on social program design in Suriname, drawing on the recent SLC in that country; (ii) dissemination of the joint IDB-World Bank Suriname Poverty Assessment; (iii) finalize the support to Barbados's ongoing SLC and initiate data analysis; and (iv) design of a new SLC for one ONE Caribbean country (probably Belize or Trinidad and Tobago) that does not have a recent SLC. The SCL department would be a key collaborator in this component.

3.3 Component 2: Data and Analysis for Private Sector Development Growth and Measuring ONE Caribbean Impact. The objectives of this component are: to analyze new data to establish a baseline status of the private sector in ONE Caribbean countries; identify the business climate constraints for private sector investment and growth; identify labor market demands of the private sector; and scope out new potential markets for innovation and private sector growth that can be supported by ONE Caribbean interventions. In the initial phase, one activity would be the dissemination of a book (currently under final editing) that uses the latest Compete Caribbean enterprise survey to establish a baseline assessment of the status of the private sector in the Caribbean. In this first phase, initial analysis would be conducted on the available WBES and Compete Caribbean data, and research results will be disseminated. This work complements other ongoing initiatives of the Compete Caribbean partnership. Initial analysis of the data for one country could be conducted

under this component, including analysis of total factor productivity (TFP). With IDB Invest and IDB Lab, we have identified several potential market opportunities for new sectors or new value chain linkages that could spur innovation and growth in the private sector. This first phase would support 1 to 2 such market analyses. The Compete Caribbean partnership will also be involved. Finally, for natural resource intensive economies, improving the accounting of extractive industries in the national accounts is critical to understanding the evolution of the economy over time. Suriname lacks such accounting and other countries' accounting could be improved.

3.4 Component 3: Food security: Nutritional Nudges and Key Factors Affecting Costs. (\$100,000) Distance and isolation, combined with limited arable land, imply high costs for food in the Caribbean. That said, trade policy and the efficiency of distribution systems also affect costs. In this first phase, a scoping exercise of the key costs affecting food prices (and hence affordability) will be conducted for the seven ONE Caribbean countries. Even for families with sufficient income to purchase sufficient caloric intake, food consumption choices sometimes lead to an unhealthy diet, leading to a significant incidence of non-communicable diseases. The component, in the first phase, will support at least one experiment, based on behavioral economics, to test interventions that can lead to healthier food choices. RND and RES would be collaborators in this component.

Indicative Budget

| Activity/Component | Description | IDB/Fund Funding | Counterpart Funding | Total Funding |
|--------------------|------------------------------------------------------------------------------------------------------------|------------------|---------------------|---------------|
| Component 1 | Data for Targeting Vulnerable Groups, Designing Effective ONE Caribbean Interventions and Measuring Impact | \$325,000 | 0 | \$325,000 |
| Component 2 | Data and Analysis for Private Sector Development Growth and Measuring ONE Caribbean Impact. | \$325,000 | 0 | \$325,000 |
| Component 3 | Food security: Nutritional Nudges and Key Factors Affecting Costs | \$100,000 | 0 | \$100,000 |

- 3.5 The budget will be administered in Headquarters and monitored by CCB headquarters staff. An evaluation report will be prepared upon completion of the TC.
- 3.6 Policy makers and citizens of the ONE Caribbean countries are the ultimate beneficiaries once the objectives of the TC are realized.

IV. Executing agency and execution structure

- 4.1 The Bank, through CCB/CCB and the Behavioral Economics Group will be the executing agency, with the CCB front office coordinating the specific activities of this operation, with the participation of the Caribbean COFs and the support of KIC and ORP. The team leader will have technical and basic responsibility for the overall implementation and supervision of the project.
- 4.2 All activities to be executed under this TC have been included in the Procurement Plan (Annex IV) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; and (b) hiring of consulting firms for services of an intellectual nature and hiring of logistics services and other services different from consultancy, in accordance with policy GN-2303-33.
- 4.3 The pillars of ONE Caribbean emerged from consultations with beneficiary countries. This supporting research and dissemination TC is aligned with those priorities expressed by beneficiary countries.

V. Major issues

- 5.1 Data collection and data analysis invariably can encounter unforeseen challenges, such as delays in the collection of survey information, or inconclusive research results. This is part of the creative process of improving our understanding of societies. These efforts can be further complicated by regional weaknesses in local institutions. These risks will be addressed by deploying Bank teams that have substantial experience in working in the Caribbean and by building on longstanding relationships with regional institutions.
- 5.2 Data privacy concerns is another issue, and the IDB Personal Data Policy applies. The team will consult with VPF/ADS to ensure full compliance with that policy in all data activities conducted under this TC.

VI. Exceptions to Bank policy

- 6.1 No exceptions to Bank policy are anticipated.

VII. Environmental and Social Aspects

- 7.1 This TC is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not entail applicable requirements related to the Bank's Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Results Matrix_12409.pdf](#)

[Procurement Plan_26441.pdf](#)