

## TC DOCUMENT

### I. Basic Information for TC

▪ Country/Region:	Country Department Caribbean Group (CCB) and Belize
▪ TC Name:	Code Caribbean: Promoting STEAM for Innovation in the Caribbean
▪ TC Number:	RG-T3278
▪ Team Leader/Members:	Sabine Rieble-Aubourg (SCL/EDU) Team Leader; Krista Lucenti (INT/CTT) ALT Team Leader; Elena Arias, Maria Fernanda Prada Patino, Emma Naslund-Hadley, Cynthia Hobbs (SCL/EDU); Juan Carlos Navarro, Rafael Anta (IFD/CTI); Fernando Pavon (LMK/CJA); ); Maritza Vela, Vashtie Dookiesingh (BID LAB); Michael Nelson (CCB/CBH); Musheer Kamau (CCB/CJA); Carolina Verissimo (LEG/SGO); Maria Laura Smaldone (BDA/ACP); Shirley Gayle (VPC/FMP); Wladimir Lopez Zanon (SPD/SDV); Maria Fernanda Garcia-Rincon (ORP/REM), Claudia Ogialoro (OPR/GCM).
▪ Taxonomy:	Client Support
▪ Date of TC Abstract authorization:	October 1, 2018
▪ Beneficiary:	Bahamas, Barbados, Belize, Jamaica, Guyana, Suriname, and Trinidad and Tobago
▪ Executing Agency:	Inter-American Development Bank
▪ Donors providing funding:	Japan Special Fund (JSF) – US\$700,000 <sup>1</sup> Stiftung Auxilium (PSG) – US\$479,760 <sup>2</sup>
▪ Total Funding Requested:	US\$1,179,760
▪ Disbursement period:	52 months (execution period 48 months)
▪ Required start date:	April 2019
▪ Types of consultants:	Individual consultant(s), consulting firms
▪ Prepared by Unit:	Education Division (SCL/EDU)
▪ Unit of Disbursement Responsibility:	Country Office Bahamas (CCB/CBH)
▪ TC included in Country Strategy (y/n):	N/A
▪ TC included in CPD (y/n):	N/A
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and Innovation, Economic Integration

### II. Objectives and Justification of the TC

- 2.1 The Fourth Industrial Revolution (4IR) brings both challenges and opportunities for the economic and social development of countries. New digital technologies including robotics, artificial intelligence (AI), Blockchain, the Internet of Things and biotechnology can boost economic growth, create employment and generate net productivity increases, through increased production, exports and employment in higher value-added and digitized activities<sup>3</sup>. In 2005, the digital economy accounted for 15% of global productivity and is expected to reach 25% by 2025.<sup>4</sup> However, the impact of digitization by country is uneven: developed economies tend to lag emerging

<sup>1</sup> The Japan Fund will target Guyana, Jamaica, Suriname, and Belize.

<sup>2</sup> These funds will be administered by the IDB through a non-reimbursable Project-Specific Grant. Stiftung Auxilium will contribute in the amount of US\$479,760. This PSG will be administered by the IDB pursuant to document SC-114. In accordance with that document, the commitment of Stiftung Auxilium for the PSG will be established through a separate Administrative Agreement. The financing from Stiftung Auxilium will target the Bahamas, Barbados, and Trinidad and Tobago.

<sup>3</sup> [http://www3.weforum.org/docs/DTI\\_Maximizing\\_Return\\_Digital\\_WP.pdf](http://www3.weforum.org/docs/DTI_Maximizing_Return_Digital_WP.pdf)

<sup>4</sup> [goo.gl/2n8MSC](http://goo.gl/2n8MSC)

economies in job creation by almost 25% since emerging markets are more export-oriented and driven by tradable sectors. Therefore, developing countries tend to gain more from digitization's effect on employment than from its influence on growth. The World Economic Forum (WEF) estimates that for every 10-point increase in a country's digitization score,<sup>5</sup> there is a 1.02% drop in the unemployment rate.<sup>6</sup> The overall impact of digital transformation across industries creates a net gain of 2.1 million jobs by 2025,<sup>7</sup> as jobs gained by new subsectors offset those lost to automation.

- 2.2 This transformation represents an opportunity for Latin America and the Caribbean's (LAC) socio-economic progress. Therefore, the implications of the progress in the digital economy are very relevant for policy decisions. The impact of innovative technologies, particularly robotics and AI, on the level and quality of employment can be seen in areas like compensatory mechanisms for affected sectors and the design of new education plans. The repercussions will be particularly important in contexts characterized by slow employment growth or a rapidly expanding working age population.<sup>8</sup> The extent to which countries in the region leverage the opportunities brought by technology depends to a large extent on ensuring that all socioeconomic groups get access to high quality and relevant education that provides the skills required to access occupations increasingly embedded with technology. To fully understand the implications of the 4IR for the Caribbean Region, more information is needed to design appropriate education and training plans.
- 2.3 Although the Governments in the Caribbean have long prioritized education, learning outcomes in the region are low. That is, "passing rates in the Caribbean Secondary Education Certificate (CSEC) in Math and English are around 45% on average and it is not better in other subjects like Chemistry, or Information Technology."<sup>9</sup> Education is also unequal. Available data for Trinidad and Tobago<sup>10</sup> (TT) from the Program of International Student Assessment (PISA) 2015 indicates that learning in science among the rich and poor students differs by 82 points; that is, about 2.5 years, as a 30-point difference translates into 1 year of schooling.<sup>11</sup> The low quality of education translates then into poor labour market outcomes. Youth unemployment is high in the Caribbean reaching 31% of 15 to 24-year olds in 2015 compared to 16% in Latin America (see [Table 1](#)). Existing literature points to both individual and systemic factors as explanations for the high unemployment rate in the Caribbean, including: (i) lack of relevant skills for the job market and educational deficiencies; (ii) lack of job experiences and limited knowledge of how to apply for jobs or how to behave in a work environment (lack of life skills); (iii) supply driven nature of many technical and vocational training programs that are considered irrelevant by employers; and (iv) limited job opportunities due to an economic context characterized by low economic growth, high fiscal deficits and high levels of public debt.<sup>12</sup>
- 2.4 The Caribbean region also faces two major challenges to leverage technology: (i) low participation on students in Science, Technology, Engineering, Arts, and Mathematics

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<sup>5</sup> The Digitization Index is a composite score that calculates the level of a country's digitization using 23 indicators to measure: ubiquity, affordability, reliability, speed, usability and skill. Measures a country's level of digitization on a scale of 0 to 100, with 100 signifying the most advanced, to identify its distinct stage of digital development: constrained, emerging, transitional, or advanced.

<sup>6</sup> [http://www3.weforum.org/docs/GITR/2013/GITR\\_Chapter1.2\\_2013.pdf](http://www3.weforum.org/docs/GITR/2013/GITR_Chapter1.2_2013.pdf)

<sup>7</sup> <http://reports.weforum.org/digital-transformation/creating-a-workforce-for-the-machine-age/>

<sup>8</sup> [http://repositorio.cepal.org/bitstream/handle/11362/42316/1/S1700860\\_en.pdf](http://repositorio.cepal.org/bitstream/handle/11362/42316/1/S1700860_en.pdf)

<sup>9</sup> Monica Parra-Torrado. 2014. Youth Unemployment in the Caribbean. WB. Knowledge Series. Page 11.

<sup>10</sup> TT is the only Caribbean country that participated in PISA 2015.

<sup>11</sup> OECD. PISA 2015. Vol1, Table 1.6.4a.

<sup>12</sup> CDB. 2015. Youth are the Future. The imperative of youth employment for Sust. Dev. in the Caribbean.

(STEAM); and (ii) growing learning and employment gaps between boys and girls in this field. For example, enrolment in science at the secondary level is low: current enrolment rates range between 2-7%, compared to an average of 10% in Organization of Economic Co-operation and Development (OECD) countries, and of 13-18% in strong research and innovation economies such as Germany, France, Ireland, United Kingdom and the People's Republic of China.<sup>13</sup> Weak research and development infrastructure, combined with little collaboration between the private sector and universities, have caused a dearth in STEAM skills for innovation. This is creating a mismatch between the needs of the private sector for innovation, 59% intend to innovate in the next three years, up from only 26% in the past three years,<sup>14</sup> and the knowledge and skills being developed in the educational system.

- 2.5 The 2015 PISA results show that in participating countries from Latin America (LA) boys perform better than girls in science and math. However, the trend is different in the Caribbean. For example, TT is the country with the largest gender gap among participating countries with girls outperforming boys in science, math, and reading.<sup>15</sup> Data from the Caribbean Secondary Education Certificate (CSEC), confirms that girls in the region perform better in science than boys: in 2013, 66.9% of boys obtained a passing grade compared to 69.5% of girls; however, in 2015 the gender gap widened with 51.9% of boys compared to 62.7% of girls getting a passing grade in the science examination.<sup>16</sup> Once secondary school is completed, more women pursue higher education: 68.1% of students at the University of the West Indies in the year 2016/17 were female.<sup>17</sup> (see [Table 2 and 2.1](#))
- 2.6 Considering the overall shortage of human capital for the digital economy in the Caribbean, existing tech companies lack gender and racial diversity. Companies have recognized that a more diverse workplace means a better grasp of customer needs which translates into increased sales and bigger profits. Recently, more than a dozen technology companies including Google, Apple, Facebook, Microsoft and Twitter, have reported that the industry remains overwhelmingly white and male. Women make up about 30% of the tech workforce and hold an average of just 18.5% of tech-related roles in those five companies. According to a report from software company Atlassian, black and Latino employees respectively account for about 2% and 3% of the tech workforce.<sup>18</sup> As discussed above (see ¶2.3), youth unemployment rates in the Caribbean are among the highest in the world.<sup>19</sup> However, young women experience more unemployment despite their better educational credentials: whereas the average unemployment rate for male youth is approximately 20%; for young women it is 30%.<sup>20</sup> Consequently, more efforts are needed to attract more young women and men from the region to make them more prominent in the technology sector in the future and to reduce the high rate of youth unemployment.<sup>21</sup>
- 2.7 In recent years, several initiatives have been developed to expand access to computer science and coding in schools around the world (code.org, hour of code, and many

<sup>13</sup> [https://www.oecd.org/dev/americas/Overview\\_LEO2017.pdf](https://www.oecd.org/dev/americas/Overview_LEO2017.pdf)

<sup>14</sup> [goo.gl/an8xRj](http://goo.gl/an8xRj)

<sup>15</sup> For the countries from Latin America, girls outperform boys in reading. [goo.gl/UFbQzq](http://goo.gl/UFbQzq)

<sup>16</sup> Inter-American Development Bank. Caribbean Country Department. Microdata. Own calculations.

<sup>17</sup> IDB. Gender and Diversity Division.

<sup>18</sup> <https://www.cnet.com/news/startups-could-be-key-to-fixing-silicon-valleys-diversity-problem/>

<sup>19</sup> Caribbean Development Bank. 2015. "Youth are the Future."

<sup>20</sup> Ibid.

<sup>21</sup> In 2014, in Jamaica: 32.9% of women, compared to 24.5% of men ages 15-20 years old, were unemployed. In 2016, in Barbados, 22.9% of young women, compared to 16.2% of young men, were unemployed. IDB. 2019. [goo.gl/hc53j6](http://goo.gl/hc53j6) Own calculations.

others) to increase female participation in STEAM areas, but also to enhance creativity, thinking structure and fluidity. One of these initiatives is the Code Next<sup>22</sup> program, developed by the Massachusetts Institute of Technology (MIT) Media Lab in collaboration with Google.<sup>23</sup> It provides learning experiences and curricula content with the aim of creating the next generation of Computer Scientists, Inventors, Innovators and Engineers. To this end, students are taught a variety of topics that are organized in modules.<sup>24</sup> In addition, Code Next teaches life skills, such as: leadership, college preparatory skills, teamwork, critical thinking and problem solving, and communication skills. The courses are taught using MIT's world class pedagogical and methodological approaches. Code Next, and its personnel, have both experience in content development and training of trainers, and are committed to providing comprehensive and culturally resonant curricular experiences. Code Next will be customized to the Caribbean region and will then be called "Code Caribbean."

- 2.8 The objective of this technical cooperation (TC) is to contribute to expanding technological, life and entrepreneurial skills for youth, thereby increasing their future employability in the digital economy. The specific objectives of this TC are threefold: (i) to demonstrate an effective approach in secondary education to address the needs of disadvantaged youth in the Caribbean Community (CARICOM) countries and strengthen their STEAM, life and entrepreneurial skills which could eventually be integrated into the education system of the participating countries. This will be achieved through training of tertiary education coaches to teach secondary school students the skills listed above (see ¶2.7). This objective strives to demonstrate how STEAM and life and entrepreneurial skills development can be integrated into secondary school, and create a mechanism for strengthening in-country capacity to help implement the approach. A mentorship program will also be implemented to encourage both girls and boys to enter the technology industry and boys to take more science related courses; (ii) to establish a mechanism between the Ministries of Education and the private sector to ensure that chosen areas are driven by and well aligned with job opportunities in the participating countries; and (iii) to affect systemic changes at the participating Ministries of Education by producing a plan for scaling up the initiative and to have more policy dialogue on STEAM and the integration of technological, life and entrepreneurial skills in secondary schools.
- 2.9 The TC is consistent with the Update of the Institutional Strategy 2010-2020 (AB-3008) and is aligned with the development challenges of Productivity and Innovation, and Economic Integration by providing digital skills that are transferable and foster productivity and innovation. Also, it is aligned with the Strategy to Support Competitive Global and Regional Integration (GN-2565-4), the Labor Sector Framework Document (SFD) (GN-2741-5); the Education and Early Childhood Development (SFD) (GN-2708-5); and the Integration and Trade (SFD) (GN-2715-6). It also aligns with the Operating Guidance of the Japanese Trust Fund with "policy and strategy formulation/ implementation activities with priority given to C and D countries."

### **III. Description of Activities/Components and Budget**

- 3.1 **Component 1: Preparation of Assessment of existing Regional STEAM Programs. (US\$93,800).** The objective of Component 1 is to undertake an

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<sup>22</sup> The program initially created a curricula of STEAM activities that was taught at a select group of historically Black and Latino colleges and universities in the United States.

<sup>23</sup> See <https://www.media.mit.edu/groups/code-next/overview/>

<sup>24</sup> Topics: Computer Science and Programming, Computational Design and Animation, Microcontroller Systems, Game Design, Digital Fabrication, Music, Wearable Technology, Engineering, Mathematics.

assessment of existing STEAM programs at both the secondary and tertiary education level<sup>25</sup> in the seven<sup>26</sup> beneficiary countries. TC resources will be used to obtain Technical Assistance (TA) to conduct the assessment in each country. Code Next will provide a framework for the assessment and consolidate the results. The gap assessment will focus on the following aspects: (i) mapping of existing programs in each country at both the secondary and tertiary education level and subsequent gap assessment; (ii) an assessment of the structure and content and implementation of the existing programs; and (iii) survey of businesses to assess demands for current and future digital skills to help the education system to better respond to these emerging demands. Pending the results of these assessments, the final analysis would suggest new programs for implementation tailored to the specific context of the participating countries and/or additional areas to make current programs more comprehensive.<sup>27</sup> The results of the gap analysis will then be used to make a final decision<sup>28</sup> of the two countries to be included in the implementation of the Code Caribbean program on a pilot basis.<sup>29</sup> Possible selection criteria will include: (i) existence, scope and scale of existing STEAM programs; (ii) readiness of the education system to implement the initiative; and (iii) availability of national partner organizations that can collaborate with the Ministries of Education in the implementation of the program. The results of this component will be country specific assessments of existing STEAM program including the Bahamas, Barbados, Belize, Jamaica, Guyana, Suriname, and Trinidad and Tobago and a consolidated report including a recommendation in which two countries try to start the implementation.

- 3.2 **Component 2: Development of Regional Strategic Framework for Implementation. (US\$36,000).** The objective of Component 2 is for Code Next to develop a framework for implementing the Code Caribbean program in the Caribbean region considering country specific aspects of the two countries selected under Component 1. TC resources will be used to contract TA to develop the framework in partnership with local schools, universities and training institutions which would include: (i) development of a “Train the Trainers” program where tertiary-level students would be trained to educate secondary school students; (ii) integration of entrepreneurship modules into the Code Caribbean program allowing youth to develop an entrepreneurial mindset; (iii) creation of a mentorship model for youth targeting both boys and girls;<sup>30</sup> (iv) preparation of activities for parents to help them appreciate careers in technology; and (v) the proposal of a mechanism to ensure close collaboration with the private sector and Ministries of Education and guidelines for making it operational. The expected result of this component will be a strategic

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<sup>25</sup> At the tertiary level, a particular focus will be given to engineering and computer science programs to ensure that they meet requirements of the 4<sup>th</sup> industrial revolution.

<sup>26</sup> The countries in include: the Bahamas, Barbados, Belize, Guyana, Jamaica, Suriname and TT.

<sup>27</sup> As part of a regional Technical Cooperation Grant (ATN/CO-16694-RG) from the Competitiveness, Technology and Innovation Division (IFD/CTI), a survey in 13 Caribbean countries will be conducted to gather firm-level data on innovation, use of digital technologies, firm performance, gender. It is expected that results from the survey will inform the gap analysis under Component 1.

<sup>28</sup> The Steering Committee (see ¶4.2) will make a decision based on the consultant’s recommendations on which two countries to include in this pilot initiative.

<sup>29</sup> The current project is considered Phase I. It is planned to explore the availability of additional resources to ensure that eventually all 7 beneficiary countries will benefit from the initiative.

<sup>30</sup> The TC will coordinate with IDB LAB projects that have focused on entrepreneurship such as the Youth Business Trusts in JA, BA, TT. The IDB LAB is also planning to conduct a digital assessment of these organizations.

implementation framework for the two countries selected to participate in the first pilot initiative.<sup>31</sup>

- 3.3 Component 3: Implementation of the CODE Caribbean pilot program in at least two countries. (US\$693,804).** Component 3 will utilize the results of the assessment and regional strategic framework to implement the Code Caribbean program in two selected countries during this first Phase. The Ministries of Education (MOE) in these two selected countries will be responsible for the implementation of the programme. The MOEs will be requested to identify a project coordinator from existing staff to manage the following administrative aspects of the programme:<sup>32</sup> (i) acquiring required resources and materials to successfully implement the CODE Caribbean program; (ii) selecting the participating secondary schools aligned with the evaluation plan (see ¶3.4); and (iii) contracting a university and/or consulting firm to support the implementation of the technical aspects of the Code Caribbean program that were developed under Component 2. The university/ consulting firm will support the MOE in implementing the following: (a) collecting baseline and administrative data of participants as defined in the evaluation design (3.4¶); (b) training the trainers for the Code Caribbean program;<sup>33</sup> (c) implementing the mentor program; (d) establishing a mechanism for continued collaboration between MOE and the business/private sector; and (e) developing a plan to scale up the initiative to additional schools/national system ensuring sustainability of the program in the respective country. As stated in ¶3.4, Code Next will provide quality assurance to make sure that the Code Caribbean program is implemented as intended. The results of this component will be the implementation of the Code Caribbean program in two countries, providing 2,520 program spaces and benefitting 630 students.<sup>34</sup>
- 3.4 Component 4: Regional Coordination, Evaluation and Dissemination of Results. (US\$292,620).** TC resources will be used to contract TA to ensure that goals of the project are met but also to work with the participating countries on eventually scaling up the initiative to additional schools and institutions and additional countries in the region. This would include; (i) contracting a consultant to oversee the implementation of the TC and provide quality assurance to ensure that the program is implemented as intended; (ii) collaborating with the university/consulting firms selected in each country to develop a transition plan to scale-up the initiative to more schools at the national level of each country, creating ownership and sustainability in country; (iii) organizing National Workshops to launch the initiative and to present launch workshops; (vi) coordination of an impact evaluation to measure the medium-term effect of the interventions for participants which will be defined at the beginning of the implementation phase and executed throughout the three-year implementation period (¶3.3); and (v) organization of one regional workshop where the results of the impact evaluation can be presented to all countries. International TA will be contracted that will be responsible to design and implement an impact evaluation of the program including a longitudinal study comparing Code Caribbean program participants with

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<sup>31</sup> Because the two countries are not yet selected, the results framework does not have defined baseline or target information for the outcome indicators. The information will be added once the two countries are selected.

<sup>32</sup> If required, TC resources will be used to contract a project coordinator for the MOE for countries supported by the Japan Fund. If a coordinator will not be needed, the resources will be used to increase the number of participants in the schools.

<sup>33</sup> The Code Next program has trained "Master trainers" who in turn taught students to serve as teachers to younger students. The approach is called "Learn to teach and teach to learn."

<sup>34</sup> The program is a two-year program. In year 1, during the piloting of the program in each country, 90 students will participate; and then 270 students will be added in year 2 and year 3.

peers who did not participate in the program to assess the effect of the program on the youth's self-assessments and employability. The main expected results of this component are: (i) an evaluation of the program in the two countries whose results will be shared with all seven beneficiary countries in a regional workshop and (ii) transition plans of how to scale up the initiatives in the participating countries.

- 3.5 **Budget.** The total cost of this TC will be US\$1,179,760 of which the Japan Special Fund (JSF) will contribute US\$700,000 and the Stiftung Auxilium US\$479,760. Resources received from Stiftung Auxilium will be provided to the Bank through a Project Specific Grant (PSG). A PSG is administered by the Bank according to the "Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify them as Project Specific Grants (PSGs)" (document SC-114). As contemplated in these procedures, the commitment from Stiftung Auxilium will be established through a separate administrative agreement. Under such arrangement, the resources for this project will be administered by the Bank and the Bank will charge an administrative fee of 5% of the contribution, which will be charged after the contribution has been received.

**Table: Indicative Budget (US\$)**

Component & execution agency	Japan Special Fund (JSF)	Stiftung Auxilium (PSG)	Total Funding
Component 1 (Bank executed)	54,400	39,400	93,800
Component 2 (Bank executed)	20,800	15,200	36,000
Component 3 (MOE executed in 2 selected countries)	382,902	310,902	693,804
Component 4 (Bank executed)	206,898	90,260	297,158
Administrative Fee 5%		23,998	23,998
Contingency (Bank executed)	35,000	0	35,000
<b>TOTAL</b>	<b>700,000</b>	<b>479,760</b>	<b>1,179,760</b>

#### IV. Executing Agency and Execution Structure<sup>35</sup>

- 4.1 The Bank will be responsible for the overall management of the TC through the Education Division (SCL/EDU) given the regional nature and scope of the program.
- 4.2 **Components 1, 2, and 4:** The Bank will be the executing agency for Components 1, 2 and 4 through SCL/EDU, given the regional character of the project and the fact that it needs an elevated level of coordination and interdependence. The project is a pilot initiative whose results –if successful– will be used to engage in a dialogue with all countries in the region to strengthen their teaching of STEAM, and life and entrepreneurial skills. It is expected that in a future operation, it will be easier to identify an executing agency in the region and/or participating countries as the pilot initiative will help identify what is required for a successful implementation. In addition, the Bank has the technical experience and capacity to ensure a high quality of products and activities to be carried out for this project. Given the cross-sectoral nature of the initiative, a Steering Committee<sup>36</sup> will be established to ensure continued and active participation of Vice Presidency for Sectors and Knowledge (VPS) specialists as well as CCB, IDB LAB.

<sup>35</sup> Until the two countries for implementation are selected, the TC will be entered into the Bank system as a Bank executed TC with two project numbers (ATN) reflecting the two funding sources (JSF and PSG). Once the two beneficiary countries for Component 3 are selected, two additional ATN numbers will be added to reflect the two executing agencies and the two funding sources (Ministry 1 [JSF] and Ministry 2 [PSG]).

<sup>36</sup> The Steering committee will oversee the implementation of the TC, provide solutions to bottlenecks encountered, and foster collaboration across divisions within the IDB to create synergies with ongoing projects.



- 4.3 **Component 3:** As indicated in ¶3.3, in the two countries selected, the respective Ministries of Education (MOE) will be the executing agencies for this component. All MOEs of the beneficiary countries are familiar with the financial guidelines and procurement procedures of the IDB due to experience gained as executing agencies in the implementation of ongoing or previous Bank financed operations. Each Ministry will be asked to assign a coordinator for the project and will be responsible for the administration of activities related to the component including: (i) the selection, contracting and supervision of consultancies, as well as acceptance of the quality of products delivered; (ii) maintenance of a proper records system; (iii) preparation and submission of disbursement requests to the IDB, including the relevant supporting documents; and (iv) preparation of semestral progress reports. The disbursements of the resources allocated to this component will be made through the procedures set forth in its policies and procedures. Preference will be given to the disbursement procedure of direct payments to third parties, [in which case an external financial audit report may not be necessary]. As indicated in the Table above, the total for this component is US\$693,804: Ministry (1) will manage US\$382,902 (JSF) and Ministry (2) will manage US\$310,902 (PSG). Prior to the execution of this component, an agreement will be signed between the Bank and each of the selected MOEs, specifying, among other obligations, the conditions for the use of the funds.”
- 4.4 The project team will be responsible for the preparation and submission to the donors of the project reporting in compliance with the JSF operational guidelines and with the stipulations of the Administration Agreement for the PSG. (See, [table 3](#) ).
- 4.5 If at the end of project execution, the project was closed with a positive uncommitted and unspent balance, the project team will be responsible for informing ORG/GCM to transfer the unspent balance as agreed to by the donor and the Bank pursuant to the terms of the PSG Administration Agreement and the JSF operational guidelines.
- 4.6 The activities to be executed in **Components 1, 2, and 4** will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (GN-2765-1) and its Operational Guidelines (OP-1155-4); and (c) GN-2303-20 for logistics and other related services. **For Component 3**, the Ministries of Education, in the two countries selected, will follow Policies for the Procurement of Goods and Works Financed by the Inter-American Development Bank (GN-2349-9) and Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-9).
- 4.7 Prior to the commencement of the activities in the beneficiary countries, the Bank will obtain the non-objection communications from its official liaison entity in the respective country.

## **V. Project Risks and Issues**

- 5.1 Implementation of a regional project implies a higher level of complexity, as well as risks related to inter-institutional coordination and asymmetries in information. It is expected that these risks will be mitigated by having the IDB as the executing agency, especially considering that the Bank has and will continue coordinating relevant and related activities with the different public institutions responsible for education, trade and innovation in the Caribbean Community (CARICOM). This risk will also be mitigated by the active participation of the relevant VPS specialists whose counterparts are stakeholders to the program.

## **VI. Exceptions to Bank Policy**



6.1 This TC does not present any exceptions to Bank Policies.

**VII. Environmental and Social Strategy**

7.1 The TC is not anticipated to have direct environmental or social impacts and has been classified as “C” according to the Safeguard Classification tool (see [Safeguard Policy Filter Report](#) and [Safeguard Screening Form](#)).

**Required Annexes:**

- Annex I: [Request from the client](#)
- Annex II: [Results Matrix](#)
- Annex III: [Terms of Reference](#)
- Annex IV: [Procurement Plan](#)