

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

REGIONAL

**SKILLS DEVELOPMENT FOR GLOBAL COMPETITIVENESS IN THE
CARIBBEAN**

(RG-X1075)

PLAN OF OPERATIONS

This document was prepared by the project team consisting of: Jose Jorge Saavedra (CMF/CBA), Team Leader; Carlo Pietrobelli (ICF/CMF) Alternate Team Leader; Maria Carina Ugarte (ICF/CMF); Hyun Jung Lee (LEG/SGO), Diego Morris (Consultant), and Annabella Gaggero (ICF/CMF).

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BASIC SOCIOECONOMIC DATA

For basic socioeconomic data, including public debt information, please refer to the following address: <http://www.iadb.org/countries>

INFORMATION AVAILABLE IN THE FILES OF ICF/CMF

PREPARATION:

COMPETE-CARIBBEAN Program, Private Sector Development & Competitiveness in the Caribbean, A CIDA–DFID-IDB Collaboration – Grant Proposal (RG-X1044).

Measuring the Competitiveness of Selected CARICOM Countries: The Findings of the Global Competitiveness Index 2009-2010, World Economic Forum, ICF/CMF Private Sector Development Paper #1, 2009.

Policies for Achieving Structural Transformation in the Caribbean. IDB Private Sector Development Discussion Paper #2, 2009

Institutions and Legal Frameworks for Business Development in the Caribbean. IDB Private Sector Development Discussion Paper #3, 2009

Enhancing Access to Finance in the Caribbean. IDB Private Sector Development Discussion Paper #4, 2009

ABBREVIATIONS

CARICOM	Caribbean Community
CARIFORUM	Caribbean Forum
CCB	Country Department Caribbean Group
CCC	Caribbean Competitiveness Center
CDB	Caribbean Development Bank
CSME	CARICOM Single Market and Economy
DFID	UK Department for International Development
EPA	Economic Partnership Agreement between the EU and CARIFORUM countries
HBS	Harvard Business School
ICF/CMF	Capital Markets and Financial Institutions Division at the Inter-American Development Bank
IDB	Inter-American Development Bank
INCAE	Instituto Centroamericano de Administración de Empresas
HKS	Harvard Kennedy School
LSE	London School of Economics
MSME	Micro, Small, and Medium Enterprise
PSD	Private Sector Development
SIDS	Small Island Developing States
SME	Small and Medium Enterprise
TU	Technical Units
TC	Technical Cooperation
UNICA	Association of Caribbean Universities and Research Institutes
UWI	The University of the West Indies

EXECUTIVE SUMMARY

Beneficiaries:	Governments and the private sector of the 15 independent CARIFORUM Countries. ¹	
Executing Agency:	The University of the West Indies (UWI) through the Office of the Pro Vice Chancellor of Planning and Development. ²	
Team Members:	Jose Jorge Saavedra (CMF/CBA), Team Leader; Carlo Pietrobelli (ICF/CMF) Alternate Team Leader; Maria Carina Ugarte (ICF/CMF); Hyun Jung Lee (LEG/SGO), Diego Morris (Consultant), and Annabella Gaggero (ICF/CMF).	
Financing:	IDB-(COFAB with DFID):	US\$ 758,344 ³
	Local Counterpart (UWI):	US\$ 155,000
	Total:	US\$ 913,344
Objectives:	The general objective is to increase the effectiveness of productive development policies in the Caribbean. The specific objectives of the project are to: (i) increase the institutional capacity to generate and share world-class and Caribbean-specific knowledge products on private sector development and competitiveness; and (ii) upgrade the technical capacity of academics and public and private sector officials in cutting edge approaches to competitiveness, business climate reforms, clustering and SME development. (¶2.1).	
Execution Period:	The TC will be executed in 24 months and disbursed in 30 months.	
Conditions Prior to First Disbursement:	Evidence of: (i) UWI's written commitment to establish a sustainable Caribbean Center for Competitiveness (CCC); (ii) establishment of a Steering Committee including faculty from UWI's three campuses: Mona, St. Augustine, and Cave Hill ⁴ , and a representative from UNICA ⁵ ; (iii) establishment of a separate bank account or sub-account for the funds it will manage under this TC; (iv) the Steering Committee's approval of the Program Operations Manual; and (v) invitation to the affiliated institutions of UNICA to be part of the CCC network (¶4.4).	
Exceptions:	None.	
ESR:	Reviewed and cleared by ESR 50-09 on Dec. 14, 2009. (¶6.1).	
Coordination with other Institutions:	Coordination with the Caribbean PSD Donor Group (¶1.8).	

¹ Antigua and Barbuda; The Bahamas; Barbados; Belize; Dominican Republic, Dominica; Grenada; Guyana; Haiti; Jamaica; St Lucia; St Kitts and Nevis; St Vincent and the Grenadines; Suriname; and Trinidad and Tobago. Considering that this TC benefits all CARIFORUM countries, including the OECS, who are non-IDB members, and that the portion of funds that will be directed exclusively towards the OECS represents a small –de minimis– amount of the total financing, a direct CDB role in the project is not required under existing Bank rules.

² UWI has requested the Bank's support in the execution of the first activity under Subcomponent 1.1 (for more details please see ¶4.2 and [request](#)).

³ According to ¶4.1.1 of the Framework Agreement between DFID and the Bank, funds were converted to US\$ on January 14, 2010 at an exchange rate of 1£=US\$ 1.6178.

⁴ The Executive Director of the Arthur Lok Jack Graduate School of Business will be a member of the CCC Steering Committee.

⁵ Association of Caribbean Universities and Research Institutes.

I. BACKGROUND AND JUSTIFICATION

A. Problem Statement

- 1.1 In the past two decades Caribbean economies have improved human development indices significantly⁶, however, the integration to the world economy remains weak, as does its competitiveness as measured against similar countries and regions. According to the Global Competitiveness Index (GCI) 2009-2010, of the six CARIFORUM economies included in the GCI⁷, five rank between 86 and 104 out of 133 economies.
- 1.2 Due to the relatively small size of the domestic market of many Caribbean countries, factors such as high export concentration, tariff dispersion, high trade costs, low competition among firms and the high costs of doing business have become constraints for the region's development. Moreover, in order for the region to benefit from free trade agreements like the Economic Partnership Agreement (EPA) signed with the European Union, it is imperative that governments accelerate full intra-regional integration and market liberalization, while preparing for the challenges and opportunities resulting from external trade agreements as a block.
- 1.3 To foster the structural transformation of their economies and increase competitiveness, Caribbean countries need to establish an inviting investment climate, and actively promote clustering, innovation, SME development and business sophistication. To design and implement the required set productive development policies, governments, regional institutions and private sector organizations need the specialized knowledge and technical capacity to develop more pertinent interventions to promote private sector development.
- 1.4 To support this process there is a need for: (i) analytical inputs to improve policy design and implementation; (ii) a knowledge repository to facilitate research and data analysis on areas related to private sector development and competitiveness; (iii) a cadre of well trained public and private sector officials well versed in productive development policies, structural transformation, clustering, SME development and other fields related to competitiveness, private sector development and economic growth and (iv) dialogue between academia, industry and government to formulate and implement a competitiveness agenda across the spectrum of firms, industries, nations and the region.

⁶ According to the latest Human Development Index (HDI), eight out of fifteen CARIFORUM economies are considered to have a High or Very High Human Development, compared to four, ten years ago. Specifically, in the Knowledge Dimension of the HDI, the education index improved significantly in some countries, up to a 17% in Antigua and Barbuda and 15% in Haiti in the last decade.

⁷ Barbados, Trinidad and Tobago, Jamaica, Dominican Republic, Suriname and Guyana.

- 1.5 The conference organized by the Bank in October 2009 titled “Policies and Strategies to Face the Global Downturn: The Way Forward in the Caribbean”, concluded that greater involvement of the academic community is needed in the region for the improvement of the business climate reforms and productive development policies.⁸
- 1.6 The University of the West Indies (UWI), the premier autonomous regional higher education institution serving fifteen countries in the English-speaking Caribbean,⁹ is the best suited academic institution to house a Caribbean Competitiveness Center (CCC) and undertake the principal role of facilitating a network of public and private institutions delivering knowledge products to support competitiveness in the region¹⁰. UWI already hosts a number of Research Centers that enjoy good international reputation.¹¹ However, the proposed CCC would be different from the existing centers, and unique in its focus on academic research and training programs on competitiveness in the Caribbean, and in the support it will provide to the policy design and guidance on issues of competitiveness in the region, facilitating closer linkages between the private and the public sector.

A. Relation with Bank Regional and Sector Strategies

- 1.7 This TC is closely linked to the Bank’s Regional Strategy for CARICOM (2007-2010), and complements: the COMPETE CARIBBEAN (RG-X1044)¹², operation currently under execution¹³ that established a US\$32.55 million dollar grant program to provide technical assistance and investment funding to promote private sector development. The establishment of a Caribbean Competitiveness Center will support the sustainability of the activities implemented under Compete Caribbean Program (CCP), by becoming the principal repository of knowledge products developed during the implementation of the CCP

B. Other Agencies’ Initiatives

- 1.8 The project team will coordinate with the Caribbean Private Sector Development (PSD) Donor Group to generate synergies among related projects being implemented by its members. The Caribbean PSD Donor Group was established

⁸ See “Restoring Economic Stability: the Way Forward in the Caribbean”.

⁹ Anguilla, Antigua & Barbuda, the Bahamas, Barbados, Belize, British Virgin Islands, Cayman Islands, Dominica, Grenada, Jamaica, Montserrat, St Kitts & Nevis, St Lucia, St Vincent & the Grenadines and Trinidad & Tobago.

¹⁰ In the Grand Anse Declaration of 1989 (formalizing the CSME), CARICOM Heads of Government explicitly recognized the pivotal role of the UWI and made a commitment “*that it shall continue indefinitely as a regional institution.*”

¹¹ Notable examples of research Centers at UWI are the [Sir Arthur Lewis Institute of Social and Economic Studies](#), the Centre for Gender and Development Studies, the [Caribbean Centre for Money and Finance](#), the [Institute of International Relations](#), the [Centre for Enterprise Research Integration](#), and the [Caribbean Law Institute Centre](#).

¹² For more details please refer to the “Information Available in the Files of ICF/CMF-under Preparation”.

¹³ The Compete Caribbean Program (RG-X1044) was approved by the Board of Directors in May 5th, 2010.

in 2008 by the IDB to increase the impact of the multiple private sector development projects funded by its members by sharing information and lessons learned; avoiding overlap and promoting synergies and moving to a more comprehensive approach to development. Participating Members: IDB, DFID, CIDA, CDB, European Commission, USAID, World Bank, GTZ and UNDP.

II. PROGRAM DESCRIPTION

A. Objectives

- 2.1 The general objective is to increase the effectiveness of productive development policies in the Caribbean. The specific objectives of the project are to: (i) increase the institutional capacity to generate and share world-class and Caribbean-specific knowledge products on private sector development and competitiveness; and (ii) upgrade the technical capacity of academics and public and private sector officials in cutting edge approaches to competitiveness, business climate reforms, clustering and SME development.

B. Components

- 2.2 **Component 1: Establishment and Institutional Strengthening of a Caribbean Competitiveness Center (US\$ 390,000).** The goal of this component is to support the establishment and institutional strengthening of the Caribbean Competitiveness Center (CCC) at UWI. The Center will: (i) serve as a hub for a network of institutions studying competitiveness in the region; (ii) build capacity to design and implement projects on competitiveness; (iii) act as the central repository of information and data related to competitiveness; (iv) provide an independent forum for public and private sectors to discuss competitiveness issues, and (v) coordinate academic programs to teach concepts and tools for developing and enhancing competitiveness in the region. Specifically, the resources allocated to this component will be used to:

2.3 **Subcomponent 1.1 Design and establishment of the Caribbean Competitiveness Center:**

- a. Contract consulting services to design the CCC based on international best practices and the development of a comprehensive business plan for its successful and sustainable implementation.
- b. Hire an Executive Director, who would set-up and manage the operations of the Center for the first 30 months.
- c. Set up of the CCC office, including the office space, equipment and managerial support, supplied by the Office of the Pro Vice Chancellor of Planning and Development at UWI as local counterpart.

2.4 **Subcomponent 1.2 Academic Resources to strengthen the knowledge base of the CCC:**

- a. Support the development of research and case-studies on experiences of firm-level competitiveness, and of policies to promote competitiveness in the Caribbean region.
- b. Publish academic papers, research reports, cases and analytical documents prepared for and resulting from conferences and workshops sponsored by the CCC.
- c. Purchase data-sets, books, and subscriptions to e-library resources and journals, on competitiveness. These resources are intended to complement the existing library resources at UWI.

2.5 **Component 2: Upgrading Technical Capacity on Private Sector Development and Competitiveness (US\$ 169,000).** This component will support the training of CCC network faculty in areas of private sector development, competitiveness and economic growth.

2.6 Specifically, the resources allocated to this component will finance the implementation of “train-the-trainers” programs for 20 faculty members associated with the CCC, including: (i) a program on *Structural transformation and the microeconomics of competitiveness*; (ii) a program on (a) *Sustainable cluster development*, and on (b) *SME Development and Public-Private Dialogue*, in collaboration with faculty from leading universities such as the Harvard Kennedy School and Harvard Business School - Harvard University; INCAE - Latin American Center for Competitiveness and Sustainable Development (CLACDS), and the London School of Economics - Spatial Economics Research Center.

2.7 **Component 3: Delivery of Training and Outreach programs for CARIFORUM countries (US\$ 274,800).** This component will fund the design and implementation of training programs for public sector officials and private sector executives in areas of private sector development and competitiveness¹⁴. The resources allocated to this component will be used to:

- a. Support the CCC in **the development of a flagship executive program** on Competitiveness and Economic Growth in the Caribbean, with modules to be offered by the CCC to universities, governments and firms. This should be a comprehensive training program on competitiveness including innovative contents and methodologies, incorporating case studies and good practices from the region.
- b. Support the **development of multi-media teaching materials** and case studies mindful of the unique characteristics and general similarities that exist

¹⁴ These programs will be developed in collaboration with the Arthur Lok Jack Graduate School of Business

among Caribbean countries whilst allowing trainees to study competition and its implications for company strategy; the competitiveness of nations, regions and cities; and solutions to social problems. These materials will be tailored to suit the training of faculty members from Caribbean Universities, public sector officials and representatives from the private sector.

- c. Design and implementation of four (4) training programs on issues related to micro level competitiveness and to the design and implementation of related policies. These programs will train 100 private sector executives and 100 public sector officials from the region;
- d. Organize and execute two (2) regional conferences for academics, public and private sector executives, one in 2011 and one in 2012, to (a) launch the CCC, and discuss the strategic focus of the Center and harness further buy-in to the work that the Center will undertake, and (b) discuss issues of competitiveness and private sector development relevant to the region.
- e. Sponsor participation of associates of the CCC in Regional and international events organized by the Inter-American Competitiveness Network, or similar organizations, in order to promote the participation of the Center in internationally recognized fora.

III. COST AND FINANCING

- 3.1 The total cost of the project is US\$913,344 of which US\$758,344¹⁵ will be financed with resources from a Grant Cofinancing Contribution Administered by the Bank (COFAB) provided by the Department for International Development (DFID) from the United Kingdom.¹⁶ The local counterpart will amount to US\$155,000, and will consist of in-kind contributions estimated in approximately US\$120,000 and cash contributions of US\$35,000. The cash contributions correspond to five months of salaries for the full time CCC Executive Director and the hiring of a consultant to perform an audit at the end of the Program. The in-kind contributions correspond to the CCC office space, equipment and management that will be carried out by UWI.
- 3.2 The resources of the COFAB are regulated under the “Operational Procedures for Grant Cofinancing Contributions Administered by the Bank” (Document CC-5732), for which an Administrative Arrangement will be signed between the IDB and the Government of the United Kingdom, represented by DFID, under the “Cooperation Framework Arrangement” (the “UK Framework Arrangement”) dated October 3, 2004. In accordance with the provisions of the UK Framework Arrangement, upon receipt of a contribution from DFID, the Bank will charge an

¹⁵ According to ¶4.1.1 of the Framework Agreement between DFID and the Bank, funds were converted to US\$ on January 14, 2010 at an exchange rate of 1£ ~ US\$ 1.6178.

¹⁶ The COFAB agreement with DFID was signed on December 17, 2009.

administrative fee of five percent (5%) of the contribution, which is duly identified in the budget of this technical cooperation.

Activity	COFAB (£)	COFAB (US\$)	Local Counterpart (US\$)	Total (US\$)
Component 1: Establishment and Institutional Strengthening of a Caribbean Competitiveness Center	154,531	250,000	140,000	390,000
Component 2: Upgrading Technical Capacity on Private Sector Development and Competitiveness	104,463	169,000	0	169,000
Component 3: Delivery of Training and Outreach Programs for Cariforum countries	169,860	274,800	0	274,800
Audit and Evaluations	13,599	22,000	15,000	37,000
Contingencies	2,860	4,627	0	4,627
COFAB Management Fee – DFID (5%)	23,438	37,917	0	37,917
TOTAL	468,750	758,344	155,000	913,344

- 3.3 UWI is fully committed with strengthening research capabilities and training to support private sector development and competitiveness in the region. The Bank has received a letter from the Vice Chancellor pledging that the UWI will do everything within its capabilities to ensure the sustainability of the CCC beyond the period of Bank financing. The CCC will include in its business plan fund raising mechanisms, including selling research and training services, establishing private sector sponsorships and raising funds from bilateral donors for future projects.

IV. PROGRAM EXECUTION

A. Executing Agency and Mechanism

- 4.1 The Executing Agency will be The University of the West Indies (UWI) through the Office of the Pro Vice Chancellor of Planning and Development (OPD). The UWI has extensive experience with projects involving several Caribbean countries and has successfully executed numerous loans and regional technical assistance programs financed by the Bank and other multilateral organizations¹⁷. The Office of Planning and Development is an integral part of the Vice Chancellery, the University of the West Indies' central administrative arm, which

¹⁷ UWI has executed more than 20 technical assistance programs financed by the Bank, and a US\$ 56 million regional project which successfully concluded in 2001 (RG0038 – UWI Development Program). For more information on UWI's satisfactory performance as Executing Agency, please see the RG0038 PCR at: <http://idbdocs.iadb.org/wsdocs/getDocument.aspx?docnum=794216>.

coordinates the work of the three UWI campuses: St. Augustine Campus, in Trinidad and Tobago; Mona Campus, in Jamaica, and Cave Hill, in Barbados.

- 4.2 The Caribbean Competitiveness Center (CCC) will be established under the OPD, who will act as Chairman, and the CCC Executive Director, will report directly to the Pro Vice Chancellor. The responsibility for coordinating day-to-day implementation of all components and sub-components of the program, except 1.1.a, will lie with the OPD. The OPD has requested the Bank its support in executing subcomponent 1.1.a for the contracting of the consulting services provisioned to design the CCC. Given that this first consultancy will provide recommendations for the institutional design of the CCC, the development of a comprehensive business plan, and the TOR for the Executive Director of the Center, UWI wants to take advantage of the Bank's knowledge and expertise in working in the area of competitiveness to identify and select the most appropriate consultant for the job.
- 4.3 In order to provide strategic guidance, a CCC Steering Committee will be conformed with the participation of faculty members from UWI's three campuses, including the Executive Director of the Arthur Lok Jack Graduate School of Business, a representative from UNICA, and a representative from the Compete Caribbean to ensure complementarities and synergies with this Program.
- 4.4 In order to disburse the funds, the Executing Agency should present evidence of: (i) UWI's written commitment to establish a sustainable Caribbean Center for Competitiveness (CCC); (ii) establishment of a Steering Committee including faculty from UWI's three campuses, and a representative from UNICA; (iii) establishment of a separate bank account or sub-account for the funds it will manage under this TC; (iv) the Steering Committee's approval of the Program Operations Manual; and (v) invitation to the affiliated institutions of UNICA to be part of the CCC network.
- 4.5 The TC will be executed over a period of 24 months with a disbursement period of 30 months. Such periods will run from the effective date of the TC Agreement between the Bank and the Executing Agency.

B. Procurement

- 4.6 Project procurement will be carried out by the Executing Agency in accordance with the Bank's policies and procedures set forth in documents GN-2350-7 (Policies for the Selection and Procurement of Consulting Services Financed by the IDB) and GN-2349-7 (Policies for the Procurement of Works and Goods Financed by the IDB). A Procurement Plan is included as Annex II and should be updated during project execution.

C. Monitoring and Evaluation

- 4.7 Program monitoring will be based on the implementation of the Results Framework (Annex I). A consultant will be hired to perform the midterm and

final evaluations of the Program, and UWI, as part of the counterpart contribution, will provide resources for the hiring of an independent consultant to perform the final audit of the Program. ICF/CMF will have technical and basic responsibility for the implementation of the TC.

V. PROGRAM BENEFITS AND RISKS

A. Benefits

- 5.1 The immediate benefits of the project are directly associated with the establishment of a Center focusing primarily on issues of competitiveness and private sector development in a tertiary institution in the region. This Center will act as a hub for a network of institutions studying competitiveness in the Caribbean and extend its reach into the development of analytically guided policies on issues of competitiveness. This TC adds value by building institutional capacity in the region that will assist and sustain the work on issues of competitiveness. Additionally, the training provided to the men and women of the region will contribute to improving the policy dialogue as well as the design of policy and projects to support private sector development.
- 5.2 This TC will benefit Governments and private sector of: Antigua and Barbuda; The Bahamas; Barbados; Belize; Dominican Republic, Dominica; Grenada; Guyana; Haiti; Jamaica; St Lucia; St Kitts and Nevis; St Vincent and the Grenadines; Suriname; and Trinidad and Tobago.

B. Risks

- 5.3 The main risks are: (i) that UWI's commitment to establish the CCC does not actually achieve the active participation and collaboration among faculty from their three campuses. This will be mitigated by having the CCC respond directly to the Office of the Pro Vice Chancellor of Planning and Development, UWI's central administrative arm, and the establishment of a Steering Committee, including members from the three campuses; (ii) limited participation of UNICA members in activities developed by the CCC. This will be mitigated by UWI's commitment to establish a strong working relationship with UNICA affiliated institutions ; and (iii) the sustainability of the CCC beyond the life of the program. This will be mitigated by: (a) the written commitment of UWI, as part of the conditions prior to first disbursement, to ensure the institutional support needed for CCC sustainability during and after Program execution; (b) the Bank's support in the execution of the consultancy for the development and implementation of the CCC sustainability plan drawing from lessons learned from other centers, and UWI's commitment to implement the plan, and (c) ensuring synergies and complementarities with the Compete Caribbean Program, through the participation of a member of the Compete Caribbean Executive Committee as a member of the CCC Steering Committee.

VI. ENVIRONMENTAL AND SOCIAL ASPECTS

- 6.1 Given the nature of this project, no adverse social or environmental issues are foreseen. According to the Environment and Safeguard Compliance Guidelines, the operation has been classified as “C”. The ESR in its ESR 50-09 meeting Agenda classified the operation as “C” and no further actions are required.

VII. RESPONSIBILITY WITHIN THE BANK

- 7.1 The Capital Markets and Financial Institutions Division at the Institutional Capacity and Finance Sector (ICF/CMF) has the responsibility for preparing and managing this TC. The officers with direct responsibility on technical issues will be Jose Jorge Saavedra (CMF/CBA), josejs@iadb.org, and Carlo Pietrobelli (ICF/CMF), carlop@iadb.org. ICF/CMF will be in charge of the approval of disbursements.

VIII. RECOMMENDATION

- 8.1 Jose Jorge Saavedra, designated team leader for this project, recommends the approval of this operation and the use of resources from the Grant Cofinancing Contribution Administered by the Bank (COFAB) signed with the Department for International Development (DFID) from the United Kingdom.

X. APPROVAL

Vo.Bo.	<u>Original signed</u> Kurt Focke Division Chief, ICF/CMF	<u>September 29, 2010</u> Date
	<u>Original signed</u> Mario Marcel Sector Manager, ICF	<u>September 29, 2010</u> Date

Results Framework

Project objectives: The general objective is to increase the effectiveness of productive development policies in the Caribbean. The specific objectives are to: (i) increase the institutional capacity to generate and share world-class and Caribbean-specific knowledge products on private sector development and competitiveness; and (ii) upgrade the technical capacity of academics and public and private sector officials in cutting edge approaches to competitiveness, business climate reforms, clustering, and SME development.

Impact and Expected Results

Indicators	Measu rement unit	Base line		Goal		Source of verification	Comments
		Value	year	Value	year		
IMPACT: Effectiveness of Productive Development Policies in the Caribbean increased.							
Number of countries with improved GCI.	countr y	0	2010	4	2013	World Economic Forum, <i>Global Competitiveness Index (GCI)</i>	Only six Caribbean countries are covered in the Global Competitiveness index
OUTCOME 1: Institutional capacity to generate and share world-class and Caribbean-specific knowledge products on private sector development and competitiveness increased.							
Percentage of surveyed actors declaring to have good or very good access.	%	0	2010	percentage increased by 15%	2013	Survey to selected policy makers in areas relevant to the project	Baseline will be measured with structured survey. Same survey will be delivered again at project end to the same sample of policy makers (or equivalents)
Percentage of surveyed actors declaring to use world-quality and Caribbean-specific knowledge documents and reports to design their policies.	%	0	2010	percentage increased by 15%	2013	Survey to selected policy makers in areas relevant to the project	Baseline will be measured with structured survey. Same survey will be delivered again at project end to the same sample of policy makers (or equivalents)
OUTCOME 2: Technical capacity of academics and public and private sector officials in cutting edge approaches to competitiveness, business climate reforms, clustering and SME development upgraded.							
Number of courses taught on PSD and competitiveness that make use of case-studies and analyses of the Caribbean.	No.	TBD	2010	This number increased by 20 percent	2013	Survey to UNICA Deans and Directors of Economics Departments and Business Schools to be administered at project start and completion	Technical capacity of academics and public and private sector officials will be upgraded thanks to the improved training they will receive in UNICA universities employing specific Caribbean analyses and case-studies

Outputs

Outputs	Measurement unit	Baseline	Year 1 2011	Year 2 2012	Target (2013)	Comments
COMPONENT 1: Establishment and Institutional Strengthening of a Caribbean Competitiveness Center.						
Caribbean Competitiveness Center established and ready to operate.	Research center	0	1	0	1	
Research studies on Caribbean competitiveness published.	Studies	0	4	4	8	The Research and Case studies will be awarded according to specific criteria to be determined as part of the business plan for the CCC. The disbursement of funds for these studies depends on the approval of the criteria by the Steering Committee (SC) of the Program.
Publications (i.e. books, journal subscriptions, e-library resources) acquired.	Volumes	0	35	65	100	
COMPONENT 2: Upgrading Technical Capacity on Private Sector Development and Competitiveness.						
CCC network faculty trained in structural transformation and microeconomics of competitiveness at UWI.	Faculty members	0	20	0	20	
CCC network faculty trained in sustainable cluster development at UWI.	Faculty members	0	20	0	20	
CCC network faculty trained in SME development and public-private dialogue at UWI.	Faculty members	0	0	20	20	
COMPONENT 3: Delivery of Training and Outreach Programs for CARIFORUM countries.						
Flagship executive program on competitiveness and economic growth in the Caribbean designed.	Training program	0	0	1	1	Program designed with multi-media Comprehensive training program on competitiveness including innovative contents and methodologies, incorporating case studies and good practices from the region. The materials will be tailored to suit the training of faculty members from Caribbean Universities, public sector officials and representatives from the private sector.

Annex I
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Private sector executives trained through UWI pilot training courses.	Private sector executives	0	50	50	100	
Public sector officials trained through UWI pilot training courses.	Public sector officials	0	50	50	100	
CCC associates participating in Inter-American Competitiveness Network events or other relevant regional and international fora.	CCC associates	0	6	6	12	
Regional conferences carried out.	Regional conferences	0	1	1	2	Aiming at: (i) launching the Center, (ii) inform/discuss the strategic focus of CCC and issues of competitiveness and PSD.

Procurement Plan

I. GENERAL INFORMATION

Executing Agency	The University of the West Indies (UWI)
Date of Plan Approval	September, 2010
Plan Period	September 2010 – March 2013
Estimated date for Agreement Signature	September 2010

Procurement for this Program will be carried out in accordance with the Policies for the Procurement of Works and Goods Financed by the Inter-American Development Bank (GN-2349-7), of July 2006, the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-7), of July 2006, and with the provisions established in the Technical Cooperation Agreement and this procurement plan.

II. PROCUREMENT PLAN

The procurement plan indicates for each contract or group of contracts the procurement procedure for works and services, the selection methodology for consultants, the cases that require pre-qualification, the estimated costs for each contract, the requirement for ex-ante or ex-post revision by the Bank and the estimated dates for the publication of procurement notices and of conclusion of the contracts.

Address of the Executing Agency:

The University of the West Indies (UWI)
Office of the Pro Vice Chancellor for Planning and Development
Saint Augustine Campus
Trinidad and Tobago

Telephones: (868) 663-8940; (868) 645-5795; (868) 662-2002 ext.2536
Fax: (868) 645-5795

III. PROGRAM PROCUREMENT

The procurements to be made for the proposed project are described below:

Works. Procurement of works for the Program include: the provision of professional services for publication of books and papers under Sub component 1.2: Academic Resources to strengthen the knowledge base of the CCC; public announcements and distribution of printed promotional materials for the two conferences under component 3: Delivery of Training and Outreach Programs for CARIFORUM countries.

Procurement of Goods. Procurement of goods for the Program include the acquisition of books, journal subscriptions and e-library resources under Sub Component 1.2: Academic Resources to strengthen the knowledge base of the CCC.

Procurement of Consultancy Services. Consulting services for the Program include:

- a) **Individual Consultancies**, for the provision of the following services:
 - **Component 1.** Sub component 1.1: The design of the Caribbean Competitiveness Center and the elaboration of the business plan, and the contracting of the Executive Director for the Caribbean Competitiveness Center.
 - **Component 2.** Faculty from leading universities such as the HKS at Harvard University and the London School of Economics (LSE): For the development and implementation of the course on Structural transformation and microeconomics of competitiveness, and the development and implementation of the course module on SME Development and Public-Private Dialogue.
 - Mid-term and final evaluations on technical aspects of the Program.
 - The final audit at the end of the Program.
- b) **Consultancy Firms**, for the provision of the following services:
 - **Component 3:** Development of a flagship executive program on Competitiveness and Economic Growth in the Caribbean; development of multi-media teaching materials and case studies.
- c) **Single-Source Selections:** The following Universities are uniquely positioned to provide the required services, given the expertise and technical knowledge of their faculty (see Sole Source Justifications for [INCAE](#) and [UWI](#)):
 - **Component 2: INCAE Latin American Center for Competitiveness and Sustainable Development (CLACDS):** For the development and implementation of the course module on sustainable cluster development.
 - **Component 3: UWI Consulting Company:** For the design and implementation of four training programs for private and public sector officials on issues related to micro level competitiveness and to the design and implementation of related policies.

Bank's revision on Contracting Decisions

The following contracts could be subject to ex-ante or ex-post review by the Bank, according to the Annex 1 of the Policies for Procurement of Works and Goods and Selection of Consultants.

Expenditure Category	Contracting Method	Amount	Review
Goods and Services	IPB	Contract => US \$250.000	All
Consulting Firms	SQS, FBS, LCS, QBS, QCBS, SSS	Contracts up to US \$100.000	TDR Review Ex post Review of a selection of contracts.
Individual Consultant	CQS	Contracts < US \$50.000	TDR Review Ex post Review of a selection of contracts
	SSS Single Source Selection	Any Amount	All (TOR and final contract draft)

IPB International Public Bidding, CQS Selection Based on Consultants Qualifications, FBS, Selection under a fixed budget, LCS Least-Cost Selection, QBS, Quality Based Selection, QCBS, Quality Cost based Selection. SSS Single Source Selection.

All other contracts will be subject to ex-post review according the Annex 1 of the Policies for Procurement of Works and Goods and Selection of Consultants.

Appendix 1

Procurement Plan

Countries: Antigua and Barbuda; The Bahamas; Barbados; Belize; Dominican Republic, Dominica; Grenada; Guyana; Haiti; Jamaica; St Lucia; St Kitts and Nevis; St Vincent and the Grenadines; Suriname; and Trinidad and Tobago¹.

Executing Agency: The University of the West Indies (UWI)

Name of the Project: Skills Development for Global Competitiveness in the Caribbean

Project Number and Technical Cooperation Agreement: RG-X1075

Brief Description of Project Objectives: The general objective of the project is to establish institutional capacity to generate and share knowledge to support improvements in the competitiveness of Caribbean economies. Specifically, the TC will: (i) support the establishment and institutional strengthening of a Caribbean Competitiveness Center (CCC) at UWI; (ii) support research and the establishment of a knowledge repository on Private Sector Development and Competitiveness; (iii) support the development of academic programs and train a cadre of academics from tertiary institutions (train-the-trainers) in cutting edge approaches to competitiveness and business climate reforms, clustering initiatives and SME development; and (iv) support the implementation of training programs for public sector officials and private sector executives, facilitate closer linkages between the private and public sector and provide policy guidance on issues of competitiveness and private sector development in the region.

Date of Project Approval by CMF Management: September 2010

Estimated Date of Technical Cooperation Contract: September 2010

Estimated Date of Last Disbursement: March 2013

Address of the Office Responsible of Procurement:

The University of the West Indies (UWI)
Office of the Pro Vice Chancellor for Planning and Development
Saint Augustine Campus
Trinidad and Tobago
Telephones: (868) 663-8940; (868) 645-5795; (868) 662-2002 ext.2536
Fax: (868) 645-5795

¹ Considering that this TC benefits all CARIFORUM countries, including the OECS, who are non-IDB members, and that the portion of funds that will be directed exclusively towards the OECS represents a small –de minimis– amount of the total financing, a direct CDB role in the project is not required under existing Bank rules.

Summary Procurement Table

Ref. No.	Description and type of the procurement contract	Estimated Contract Cost (US\$)	Procurement method ²	Review (ex-ante or ex-post) ³	Source of financing and percentage		Pre-qual. (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	DFID %		Publication specific proc. Notice	Completion of contract		
SERVICES (General and Consulting)											
Component I: Establishment and Institutional Strengthening of a Caribbean Competitiveness Center											
Subcomponent 1.1 Design and establishment of the Caribbean Competitiveness Center (CCC)											
1.1.1	Individual consultancy – Design of the Caribbean Competitiveness Center and the elaboration of a business plan. (Consultancy to be contracted and executed by the IDB).	30,000	IICQ	Ex-post	--	100	No	IVQ 2010	IQ 2011	Pending	Main tasks are: Design of the CCC and development of a comprehensive business plan.
1.1.2	Individual consultancy - Executive Director for the	120,000	NICQ	Ex-post	--	DFID 83%.	No	IVQ 2010	IQ 2013	Pending	The Program will finance the first 30 months of the

² **Goods and Works:** ICB: International competitive bidding; LIB: limited international bidding; NCB: national competitive bidding; PC: price comparison; DC: direct contracting; FA: force account; PSA: Procurement through Specialized Agencies; PA: Procurement Agents; IA: Inspection Agents; PLFI: Procurement in Loans to Financial Intermediaries; BOO/BOT/BOOT: Build, Own, Operate/Build, Operate, Transfer/Build, Own, Operate, Transfer; PBP: Performance-Based Procurement; PLGB: Procurement under Loans Guaranteed by the Bank; PCP: Community participation procurement. **Consulting Firms:** QCBS: Quality- and Cost-Based Selection QBS: Quality-Based Selection FBS: Selection under a Fixed Budget; LCS: Least-Cost Selection; CQS: Selection based on the Consultants' Qualifications; SSS: Single-Source Selection. **Individual Consultants:** NICQ: National Individual Consultant selection based on Qualifications; IICQ: International Individual Consultant selection based on Qualifications

³ The Bank's new default methodology is ex post, based on risk assessment.

⁴ This column "Status" should be used for retroactive procurement and for procurement plan updates.

Ref. No.	Description and type of the procurement contract	Estimated Contract Cost (US\$)	Procurement method ²	Review (ex-ante or ex-post) ³	Source of financing and percentage		Pre-qual. (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	DFID %		Publication specific proc. Notice	Completion of contract		
	Caribbean Competitiveness Center					UWI (local counterpart) 17%					Executive Director of the CCC. DFID resources will provide funding for 25 months (US\$100,000 ~ 83% of the total) and UWI will contribute with resources for 5 months (US\$ 20,000 ~17% of the total).
Subcomponent 1.2 Academic Resources to strengthen the knowledge base of the CCC											
1.2.1	Consultancy(ies) for the development of research and Case studies on Caribbean competitiveness	90,000	QCBS	Ex-post	--	100	No	IIIQ 2011	IIIQ 2012	Pending	This may take the form of contracts with several firms and/or individuals
Component II: Upgrading Technical Capacity on Private Sector Development and Competitiveness											
2.1.1	Individual consultancy: Development and implementation of the course: Structural transformation and microeconomics of competitiveness	50,000	IICQ	Ex-post	--	100	No	IIIQ 2011	IQ 2012	Pending	Training and Development of 20 CCC network faculty at UWI's St. Augustine Campus by faculty from leading universities such as HKSG at Harvard University, in collaboration with UWI's Arthur Lok Jack Graduate School of Business.
2.1.2	INCAE: Development and implementation of module: Sustainable cluster development	35,000	SSS	Ex-post	--	100	No	IIIQ 2011	IQ 2012	Pending	Training and Development of 20 CCC network faculty at UWI's Mona Campus by the INCAE Latin American

Ref. No.	Description and type of the procurement contract	Estimated Contract Cost (US\$)	Procurement method ²	Review (ex-ante or ex-post) ³	Source of financing and percentage		Pre-qual. (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	DFID %		Publication specific proc. Notice	Completion of contract		
											Center for Competitiveness and Sustainable Development (CLACDS) in collaboration with UWI's Arthur Lok Jack Graduate School of Business.
2.1.3	Individual consultancy: Development and implementation of module: SME Development and Public-Private Dialogue.	20,000	IICQ	Ex-post	--	100	No	IIIQ 2011	IQ 2012	Pending	Training and Development of 20 CCC network faculty at UWI's Mona Campus by faculty from leading universities such as the London School of Economics in collaboration with UWI's Arthur Lok Jack Graduate School of Business.
Component III: Delivery of Training and Outreach Programs for CARIFORUM countries											
3.1.1	Consultancy firm-development of a flagship executive program on Competitiveness and Economic Growth in the Caribbean.	24,000	QCBS	Ex-post	--	100	No	IIQ 2012	IIIQ 2012	Pending	
3.1.2	Consultancy firm - development of multi-media teaching materials and case studies.	24,000	QCBS	Ex-post	--	100	No	IIQ 2012	IIIQ 2012	Pending	
3.1.3	UWI Consulting Company: design and implementation of	128,000	SSS	Ex-post	--	100	No	IIQ 2012	IVQ 2012	Pending	Consultancy for the design of four training programs on

Ref. No.	Description and type of the procurement contract	Estimated Contract Cost (US\$)	Procurement method ²	Review (ex-ante or ex-post) ³	Source of financing and percentage		Pre-qual. (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	DFID %		Publication specific proc. Notice	Completion of contract		
	four training programs for private and public sector officials										issues related to micro level competitiveness and to the design and implementation of related policies @ US\$ 32,000 each pilot
Audit and Evaluations											
	Individual consultant: Midterm and final evaluations of the Program	22,000	IICQ	Ex-post	--	100	No	Midterm: IIQ 2011 Final: IIIQ 2012	Midterm: IIIQ 2011 Final: IVQ 2012	Pending	
	Individual consultant: Final Audit of the Program	15,000	IICQ	Ex-post	--	--	No	IVQ 2012	IVQ 2012	Pending	Financed 100% by local counterpart (UWI)
WORKS											
Component I: Establishment and Institutional Strengthening of a Caribbean Competitiveness Center											
Subcomponent 1.2 Academic Resources to strengthen the knowledge base of the CCC											
1.2.2	Professional services for the publication of books and papers	10,000	PC	Ex-post	--	100	No	IIIQ 2011	IIIQ 2012	Pending	

Ref. No.	Description and type of the procurement contract	Estimated Contract Cost (US\$)	Procurement method ²	Review (ex-ante or ex-post) ³	Source of financing and percentage		Pre-qual. (Yes/No)	Estimated dates		Status ⁴ (pending, in process, awarded, cancelled)	Comments
					IDB %	DFID %		Publication specific proc. Notice	Completion of contract		
Component III: Delivery of Training and Outreach Programs for CARIFORUM countries											
3.1.4	Professional services for seminars and workshops; publication of brochures and documents; public announcements and distribution of printed promotional materials; and participation at conferences.	84,400	PC	Ex-post	--	100	No	IIQ 2011	IIIQ 2012	Pending	Logistics for the organization of two conferences: one in 2011, and the second in 2012. This may take the form of contracts with several firms and/or individuals.
GOODS											
Component I: Establishment and Institutional Strengthening of a Caribbean Competitiveness Center											
Subcomponent 1.2 Academic Resources to strengthen the knowledge base of the CCC											
1.2.3	Books, journal subscriptions and e-library resources	20,000	PC	Ex-post	--	100	No	IQ 2011	IIIQ 2012	Pending	Acquisition of academic resources to complement UWT's library on competitiveness. This may take the form of contracts with several firms/providers.

Detailed Budget

Item	DFID (UK£)	DFID (US\$)	Local Counterpart (US\$)*	Total (US\$)
Component 1: Establishment and Institutional Strengthening of a Caribbean Competitiveness Center	154,531	250,000	140,000	390,000
1.1 Design and establishment of the Caribbean Competitiveness Center (CCC) <i>Individual consultancy for the design of the Center and the elaboration of a business plan</i> <i>Executive Director of the Caribbean Competitiveness Center (US\$ 4000 month x 30 months)</i> <i>CCC Office space (30 months @ US\$ 2,000 month)</i> <i>Office equipment and overhead (30 months @ US\$ 1,000 month)</i> <i>Managerial Support supplied by the Office of the Pro Vice Chancellor of Planning and Development at UWI</i>	<i>80,356</i> 18,544 61,812	<i>130,000</i> 30,000 100,000	<i>140,000</i> 20,000 60,000 30,000 30,000	<i>270,000</i> 30,000 120,000 60,000 30,000 30,000
1.2 Academic Resources to strengthen the knowledge base of the CCC <i>Research and case studies on Caribbean competitiveness</i> <i>Publication of books and papers</i> <i>Books, journal subscriptions and e-library resources</i>	<i>74,175</i> 55,631 6,181 12,362	<i>120,000</i> 90,000 10,000 20,000		<i>120,000</i> 90,000 10,000 20,000
Component 2: Upgrading Technical Capacity on Private Sector Development and Competitiveness	104,463	169,000	0	169,000
Training and Development of 20 CCC network faculty at UWI's St. Augustine Campus (Collaboration with faculty from leading universities such as the HKSG at Harvard University and UWI's Arthur Lok Jack Graduate School of Business) <i>Development and implementation of course: Structural transformation and microeconomics of competitiveness</i> <i>Airfare to T&T of 20 Faculty @ US\$600</i> <i>Per diem 5 days, 20 Faculty @US\$ 200</i>	<i>50,686</i> 30,906 7,417 12,362	<i>82,000</i> 50,000 12,000 20,000		<i>82,000</i> 50,000 12,000 20,000
Training and Development of 20 CCC network faculty at UWI's Mona Campus (Collaboration with leading universities such as INCAE Latin American Center for Competitiveness and Sustainable Development (CLACDS), London School of Economics and UWI's Arthur Lok Jack Graduate School of Business) <i>Development and implementation of module: SME Development and Public-Private Dialogue</i> <i>Development and implementation of module: Sustainable cluster development</i> <i>Airfare to Jamaica of 20 Faculty @ US\$600</i> <i>Per diem 5 days, 20 Faculty @US\$ 200</i>	<i>53,777</i> 12,362 21,634 7,417 12,362	<i>87,000</i> 20,000 35,000 12,000 20,000		<i>87,000</i> 20,000 35,000 12,000 20,000
Component 3: Delivery of Training and Outreach Programs for CARI FORUM countries	169,860	274,800	0	274,800
Development of a flagship executive program on Competitiveness and Economic Growth in the Caribbean.	<i>14,835</i>	<i>24,000</i>		<i>24,000</i>
Development of multi-media teaching materials and case studies	<i>14,835</i>	<i>24,000</i>		<i>24,000</i>
Design and implementation of four (4) training programs on issues related to micro level competitiveness and to the design and implementation of related policies. <i>Consultancy (UWI Consulting Company) @ US\$ 32,000 each program</i>	<i>79,120</i>	<i>128,000</i>		<i>140,000</i>
Participation of 12 CCC associates in events of the Inter-American Competitiveness Network or similar events @ US\$1,200	<i>8,901</i>	<i>14,400</i>		<i>14,400</i>
Launch of Caribbean Competitiveness Center - 2011 Conference: <i>Venue for 2 days</i> <i>Catering (lunch + 2 breaks)</i> <i>Printed Materials</i> <i>Airfare participants 20@US\$600</i> <i>Per diem 3 nights, 20 participants@US\$200</i> <i>Airfare guest speakers 3@US\$3,000</i> <i>Hotel guest speakers 3@US\$300 2 nights</i>	<i>26,085</i> 1,174 2,472 927 7,417 7,417 5,563 1,113	<i>42,200</i> 1,900 4,000 1,500 12,000 12,000 9,000 1,800		<i>42,200</i> 1,900 4,000 1,500 12,000 12,000 9,000 1,800
2012 Caribbean Competitiveness Forum: <i>Venue for 2 days</i> <i>Catering (lunch + 2 breaks)</i> <i>Printed Materials</i> <i>Airfare participants 20@US\$600</i> <i>Per diem 3 nights, 20 participants@US\$200</i> <i>Airfare guest speakers 3@US\$3,000</i> <i>Hotel guest speakers 3@US\$300 2 nights</i>	<i>26,085</i> 1,174 2,472 927 7,417 7,417 5,563 1,113	<i>42,200</i> 1,900 4,000 1,500 12,000 12,000 9,000 1,800		<i>42,200</i> 1,900 4,000 1,500 12,000 12,000 9,000 1,800
Audit and Evaluations (1 intermediate and 1 final evaluation, 1 audit @ end of year 3)	13,599	22,000	15,000	37,000
Contingencies	2,860	4,627	0	4,627
COFAB Fee (5%)	23,438	37,917	0	37,917
Total	468,750	758,344	155,000	913,344

* TC: 1£=US\$ 1.6178