

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	REGIONAL/CCB - Caribbean Group
▪ TC Name:	Technology Extension Services (TES) in the Caribbean Blue Economy and Essential Services Sectors
▪ TC Number:	RG-T4003
▪ Team Leader/Members:	STEVENSON, CLAUDIA (IFD/CTI) Team Leader; DOHNERT DE LASCURAIN, SYLVIA EVA (IFD/CTI) Alternate Team Leader; ELLIOTT, WAYNE ANTONIO (IFD/CTI); RAMONA SINANAN (IFD/CTI); SIERRA LIRANZO, MAYRETT (IFD/CTI); KELLY CASTILLO, EMILY LETICIA (IFD/CTI); GONZALEZ ALZUALDE, YOHANA BEATRIZ (IFD/CTI); VILA SAINT-ETIENNE, SARA (LEG/SGO); GRANT, KAYLA SHAREE (IFD/CTI); JAINAUTH-UMRAO, NAVEEN (VPC/FMP); ATWELL, KEISHA TAMARA (IFD/CTI); GUILLEN, ELENA (IFD/CTI); GENESIS MORALES (IFD/CTI); GREG BROOMES (IFD/CTI)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	01 Sep 2021
▪ Beneficiary:	Bahamas, Barbados, Belize, Guyana, Jamaica, Suriname, Trinidad and Tobago and CCP countries
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$600,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	30 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	IFD/CTI - Competitiveness, Technology and Innovation Division
▪ Unit of Disbursement Responsibility:	IFD/CTI - Competitiveness, Technology and Innovation Division
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation ; Gender equality

II. Objective and Justification

- 2.1 The objective of this technical cooperation (TC) is to operationalize an institutional strategy for the delivery of technology extension services (TES) targeted to Caribbean SMEs in the blue economy and essential services sectors, with a special focus on targeting women-owned firms. The TC will also continue to build the capacity of Caribbean-based technology service providers (TSPs) to deliver TES to eligible Caribbean-based SMEs.
- 2.2 The TC responds to the demands of Caribbean stakeholders in their quest for sustainable economic diversification particularly through the development of the Caribbean Blue Economy sectors and complements several Bank TCs aimed at providing support to this sector (BH-T1062 and RG-T3342). Similarly, it supports ongoing efforts to assist regional stakeholders to embrace Fourth Industrial Revolution technologies to enhance their efficiency and effectiveness, particularly post-COVID-19. Moreover, the TC will channel support to business that have been deemed as

essential services providers in the region to build resilience in their operations through digital means as they continue to be the linchpins for the equitable and effective delivery of life sustaining good and services. The beneficiaries of this TC include eligible Caribbean firms in the blue economy, essential services, local business support organizations (BSOs) that focus on the blue economy and essential services development, technology service providers (TSPs) and financial institutions from the Caribbean region. Specifically, the target firms will be those SMEs in the blue economy and essential services sectors with growth capacity, but which face difficulties in the adoption and use of available knowledge and productive technologies, or which may not know about the return on investment that TES can provide. Key outputs include, Business Potential Assessments (BPAs), Technology Audit Plans (TAPs), and Technology Assistance Reports (TARs) performed on businesses demanding technology extension services in the Caribbean blue economy. This project will primarily focus on providing highly specialized and customized technological extension services for the blue economy and on increasing adoption of digital technology for essential services. Specifically, the TES delivery mechanism will aim to: (i) encourage the demand for specialized technology assistance services from blue economy and essential services SMEs; (ii) stimulate the acquisition and use of productive application knowledge and technologies, particularly of digital systems and devices to improve the efficiency of management and the firms' productive processes; (iii) promote the adoption of knowledge and technologies to improve environmental management in firms, particularly those related to the blue economy; (iv) support women led firms in pursuing productive business modernization; (v) facilitate access to financing for technology adoption; and (vi) organize specialized technical skills in the region that can provide firms with permanent support on a sustainable basis.

III. Description of Activities and Outputs

- 3.1 **Component I: Institutional Development, Capacity Building, and Monitoring and Evaluation Activities.** (i) development of a gender sensitized institutional design to support Business Support Organizations (BSOs) and other technical institutions that will be providing the technology extension services; (ii) develop and implement highly specialized training activities to build local capacities amongst (a) technical advisors within the selected TSP and (b) BSO staff
- 3.2 **Component II: Implementation of TES Delivery.** technology audits of 75 blue economy and essential service firms, support for implementation of recommendations of these audits in 50 blue economy and essential service firms. Contract TSPs to conduct: Identification of eligible BE and essential services firms, assessment of business potentials, coordination of program activities, management of TSPs, connecting eligible MSMEs to qualified TSPs, monitoring to ensure effective delivery of technical assistance by TSP
- 3.3 **Component III: Implementation of Capacity Building Plan for Women-Owned Firms (WOFs).** target WOFs in the blue economy and essential services. WOFs in the Caribbean face specific barriers to technology adoption including gaps in information technology (IT) literacy, financial literacy, management skills, and the lower relative participation in formal education in the science, technology, engineering, and mathematics (STEM) fields.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Institutional Development, Capacity Building, and Monitoring and Evaluation	US\$50,000.00	US\$0.00	US\$50,000.00

Activities			
Implementation of TES Delivery	US\$500,000.00	US\$0.00	US\$500,000.00
Implementation of Capacity Building Plan for Women-Owned Firms (WOFs)	US\$50,000.00	US\$0.00	US\$50,000.00
Total	US\$600,000.00	US\$0.00	US\$600,000.00

V. Executing Agency and Execution Structure

- 5.1 This TC will be executed by the Bank through the Competitiveness and Innovation Division (IFD/CTI) in coordination with the Compete Caribbean Partnership Facility (CCPF), approved under GN-2851. As per Annex 10 of document GN-2629-1.
- 5.2 The Bank is the proposed executing agency given the following: (i) The regional nature of the TC requires a strong executing agency. In this case, the Bank has demonstrated its ability to coordinate and motivate action amongst diverse stakeholders across the region; and (ii) TES is a highly specialized subject matter that requires technical expertise to ensure the selection and hiring of quality consulting services. In this case, the Bank has demonstrated its expertise on the subject matter .

VI. Project Risks and Issues

- 6.1 TES are usually executed as a partially public-funded program and thus a key concern for sustainability is public funding towards the provision of TES services after project funding ends. To mitigate against this risk, the TES mechanism will be implemented through already existing and funded BSO institutions such as the SBDCs. Furthermore, key BSO staff will be trained in the analysis and presentation of data in order to support justification of public expenditures towards the program. The BSO advisors and/or their consultants will remain involved throughout the process to foster knowledge sharing and capacity building. Another key risk which may impact the monitoring and evaluation of results, is the varying speed at which firms incorporate technologies. As such, results may occur well beyond the timeline of this TC. This risk will be mitigated through complementary efforts of on-going activities geared at supporting the development of an adequate regulatory framework and financial support to aid firms in the technology adoption process.

VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "undefined".