



PROGRAM SEF FOR THE EASTERN CARIBBEAN
AUDITED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2020

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Independent Auditor's Report

To The Inter-American Development Bank
Program: Sustainable Energy Facility for the Eastern Caribbean for GCF
Loan Agreement (4712/GN-RG) and the GCF Grant Agreement
(GRT/GN-17199-RG)

Opinion

We have audited the financial statements of the Sustainable Energy Facility for the Eastern Caribbean ("the Program") executed by the Caribbean Development Bank (the Executing Agency), and financed with funds from the Inter-American Development Bank under GCF Loan Agreement (4712/GN-RG) and the GCF Grant Agreement (GRT/GN-17199-RG), which comprise the Statements of Cash Flows and Cumulative Investments as at December 31, 2020 and for the period October 20, 2015 to December 31, 2020, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements are prepared in all material respects, in accordance with the basis of accounting described in the paragraph above and the accounting policies described in the GCF Loan Agreement (4712/GN-RG) and the GCF Grant Agreement (GRT/GN-17199-RG).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Executing Agency in accordance International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including International Independence Standards (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Barbados and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Independent Auditor's Report, continued

To The Inter-American Development Bank

Emphasis of Matter - Basis of Accounting and Restriction on Use and Distribution

We draw attention to Note 3 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Program to comply with the financial reporting provisions of the contracts referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Caribbean Development Bank and the Inter-American Development Bank and should not be used by or distributed to parties other than the Inter-American Development Bank or the Executing Agency. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the basis of accounting in note 3, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Those charged with governance are responsible for overseeing the Program's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Independent Auditor's Report, continued

To The Inter-American Development Bank

Auditor's Responsibilities for the Audit of the Financial Statements, continued

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature of the KPMG firm, written in blue ink.

Chartered Accountants
Bridgetown, Barbados
October 25, 2021.

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
STATEMENT OF CASH FLOWS ¹
DECEMBER 31, 2020
(Expressed in US Dollars)

| | Period Ended 31-DEC-2020 | | | | | | |
|--|-----------------------------------|--|--|------------------|-------------------------------|--|-------------------|
| | <u>3561-OC-RG</u> <u>19705</u> | <u>GRT/EM-15208 RG</u> <u>39727</u> | <u>GRT/TC 15205- 4712/GN-RG</u> <u>RG 39728</u> | <u>39729</u> | <u>ATN/CE-17952- RG 39730</u> | <u>GRT/GN-17199-RG</u> <u>39731</u> | <u>TOTAL</u> |
| Cash Received | | | | | | | 0 |
| Cumulative balance as at beginning of the period | | | | | | | |
| Activity during the year | | | | | | | |
| § Advance of funds | 4,721,000 | 971,942 | 5,550,000 | - | - | 2,000,000 | 13,242,942 |
| § Justifications | 2,497,524 | 883,764 | 13,500,000 | - | - | - | 16,881,288 |
| § Reimbursements of Payments | - | - | - | - | - | - | - |
| § Interest and Commitment Fee Received | 719,152 | - | - | - | - | - | 719,152 |
| § Other (Reserve Account) | 137,178 | - | - | - | - | - | 137,178 |
| Total Cash Received | 8,074,854 | 1,855,706 | 19,050,000 | - | - | 2,000,000 | 30,980,560 |
| Disbursements Made | | | | | | | |
| Cumulative balance as at beginning of the period | | | | | | | |
| Activity during the year | | | | | | | |
| § Disbursement Request No. 2 | 4,721,000 | 346,000 | 2,000,000 | - | - | - | 7,067,000 |
| § Disbursement Request No. 3 | 2,497,524 | 883,764 | 12,007,558 | - | - | - | 15,388,846 |
| § Disbursement Request No. 4 | - | - | 1,492,442 | - | - | - | 1,492,442 |
| § Expense Reimbursement Request No. | - | - | - | - | - | - | - |
| § Pending Disbursement Request No. | - | - | - | - | - | - | - |
| § Pending Expense Reimbursement Request | 797,476 | - | - | - | - | - | 797,476 |
| § Justifications | - | - | - | - | - | - | - |
| § ADV pending of justification | - | 28,057 | 3,550,000 | - | - | - | 3,578,057 |
| § Expenses pending to reimburse GOB | - | - | - | - | - | - | - |
| § Other (Cost of Borrowings) | 771,963 | - | - | 254,098 | - | - | 1,026,061 |
| Total Cash Disbursements | 8,787,963 | 1,257,821 | 19,050,000 | 254,098 | - | - | 29,349,882 |
| Available Cash as of End of Period | (713,109) | 597,885 | - | (254,098) | - | 2,000,000 | 1,630,678 |

The accompanying notes are an integral part of these financial statements

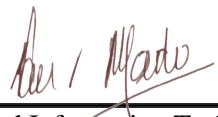

 Director, Finance and Information Technology Solutions

¹ For the first period there will be no previous statement for comparison

CARRIBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
STATEMENT OF CUMULATIVE INVESTMENTS
FOR THE PERIOD FROM INCEPTION
OCTOBER 20, 2015 TO DECEMBER 31, 2020
(Expressed in US dollars)

| INVESTMENT CATEGORY | | | Cumulative as of December 31, 2020 | | | | | | | | | | | |
|---------------------|--|---|---|--------------|------------------------------------|--|--|------------------------------------|--|--|-------|----|------------|---------------|
| | | | Sub-Loan/Sub-Grant | | IDB Loan Agreement (3561/OC-RG) | GEF Grant Agreement (GRT/FM-15208-RG) | CTF Grant Agreement (GRT/TC-15205-RG) | GCF Loan Agreement (4712/GN-RG) | GCF Grant Agreement (GRT/GN-17199-RG) | REI Grant Agreement (ATN/CF-17952-RG) | TOTAL | | | |
| | Component I - Energy Efficiency | | | | | | | | | | | | | |
| EE.1 | Funding operations provided for EE projects. | | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | | |
| | Component II - Reg. framework, inst. strengthening and capacity building | | | | | | | | | | | | | |
| TA.1 | Studies required to support energy policy reform, regulation and implementation of renewable energy and energy efficiency projects in the ECC. | TECHNICAL ASSISTANCE - ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT FOR GRENADA'S GEOTHERMAL ENERGY DEVELOPMENT - TEST-DRILLING PHASE | \$ | - | \$ | 183,122.50 | | \$ | - | \$ | - | \$ | 183,122.50 | |
| TA.2 | Training and capacity building interventions for the EA, SPVs, and/or government employees. | GEOTHERMAL DRILLING PROJECT - ST. VINCENT AND THE GRENADINES (TA - CAPACITY STRENGTHENING FOR CLO) | | | \$ | 126,185.54 | | | | | | | 126,185.54 | |
| | | TECHNICAL ASSISTANCE - INSTITUTIONAL STRENGTHENING ENERGY SECTOR GRENADA | \$ | - | \$ | 309,286.10 | \$ | - | \$ | - | \$ | - | \$ | 309,286.10 |
| | | Component III - Intermittent RE and GE | | | | | | | | | | | | |
| GE.1. (1,2,3) | Funding operations for GE projects. | GEOTHERMAL DRILLING PROJECT - ST. VINCENT AND THE GRENADINES | | | | | | | | | | | | |
| GE.1.1 | Grants provided to geothermal projects with resources from the Program for drilling or doing pre-feasibility studies. | | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| GE.1.2 | Contingent Recovery Grants (CRG) provided to geothermal projects with resources from the Program | | \$ | - | \$ | - | \$ | 19,050,000.00 | \$ | - | \$ | - | \$ | 19,050,000.00 |
| GE.1.3 | Loans provided to geothermal projects at any stage of development with resources from the Program | | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| GE.2 | Loans for transmission and distribution projects. | | REHABILITATION AND RECONSTRUCTION - HURRICANE MARIA | \$ | 8,016,000.00 | \$ | - | \$ | - | \$ | - | \$ | - | \$ |
| RE.1 | Funding operations for intermittent RE projects. | PHOTOVOLTAIC RENEWABLE ENERGY SYSTEMS - ANTIGUA AND BARBUDA | \$ | - | \$ | 589,226.70 | \$ | - | \$ | - | \$ | - | \$ | 589,226.70 |
| | 5-Project Management & Eval. | | | | | | | | | | | | | |
| | Project Management | SEF-GEF FOR THE EASTERN CARIBBEAN: MID-TERM EVALUATION | \$ | - | \$ | 50,000.00 | \$ | - | \$ | - | \$ | - | \$ | 50,000.00 |
| | Monitoring and evaluation RG-L1071 | | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| | TOTALS | | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| | Component 1 | | | | | | | | | | | | | |
| | | | \$ | - | \$ | 618,594.14 | \$ | - | \$ | - | \$ | - | \$ | 618,594.14 |
| | | | \$ | 8,016,000.00 | \$ | 589,226.70 | \$ | 19,050,000.00 | \$ | - | \$ | - | \$ | 27,655,226.70 |
| | Project Management, Monitoring and evaluation RG-L1071 | | \$ | - | \$ | 50,000.00 | \$ | - | \$ | - | \$ | - | \$ | 50,000.00 |
| | TOTAL | | \$ | 8,016,000.00 | \$ | 1,257,820.84 | \$ | 19,050,000.00 | \$ | - | \$ | - | \$ | 28,323,820.84 |

The accompanying notes are an integral part of these financial statements


Director, Finance and Information Technology Solutions

¹ For the first period there will be no previous statement for comparison

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
FOR THE PERIOD FROM INCEPTION OCTOBER 20, 2015 TO DECEMBER 31, 2020
NOTES TO THE FINANCIAL STATEMENTS OF THE PROGRAM

1. Description of the Program

1.1 The Sustainable Energy Facility (SEF) for the Eastern Caribbean Program is part of Caribbean Development Bank's (CDB's) GeoSmart Initiative¹, which aims to reduce the financial, technical and institutional barriers to geothermal energy development in five Eastern Caribbean states – Dominica, Grenada, St. Kitts and Nevis, Saint Lucia and St. Vincent and the Grenadines. The program also helps governments build capacity and strengthen institutions so they can be better equipped to implement and manage geothermal energy initiatives. The SEF resources are provided through the Inter-American Development Bank (IDB) (which includes its own resources, and resources from the Green Climate Fund (GCF), the Clean Technology Fund (CTF), the Global Environmental Facility (GEF), and the Government of Italy (REI)).

1.2 The SEF Program is comprised of two distinct operations: (a) the Sustainable Energy Facility (SEF) for the Eastern Caribbean (hereinafter "SEF-2015"), and (b) the Sustainable Energy Facility for the Eastern Caribbean Expanded (hereinafter "SEF-Expanded"). Through each of these two operations, IDB is providing a Global Credit Loan (GCL) to CDB, which is complemented with resources from other donors to finance eligible Sub-loans and Sub-grants (investment and technical assistance) in the respective Final Beneficiaries and IDB Sub-borrowers and GCF Sub-borrowers. Together, the SEF-2015 and the SEF-Expanded make up the SEF Program, as follows:

- (i) Under SEF-2015, IDB provides a Global Credit Loan (GCL) to CDB, chargeable to IDB's ordinary capital (OC) resources, and complemented by resources from the CTF, GEF and CDB's counterpart resources; and
- (ii) Under SEF-Expanded, IDB provides a GCL to CDB, chargeable to GCF resources administered by IDB according to the Accreditation Master Agreement (AMA) between IDB and GCF, and the Funded Activity Agreement (FAA) between IDB and GCF, which are complemented with resources from REI administered by IDB.

2. EXECUTING AGENCY

The Executing Agency of the Program is the Caribbean Development through its Project Execution Unit, which is responsible for the overall financial management and implementation of the Program.

3. Key Accounting Principles

3.1 Due to the nature of the SEF, these financial statements have been prepared for the specific purpose of reflecting the sources and applications of contributions and other development resources. These financial statements are not intended to be presented in accordance with International Financial Reporting Standards (IFRS). These financial statements have been prepared in accordance with the accounting policies outlined below.

1 CDB GeoSmart Initiative is CDB's response to the need for risk mitigation to facilitate GE development, and seeks to mobilise adequate and suitable resources (grants, contingent grants, loans, and technical assistance) to address risks characteristic of the various stages of the GE project cycle.

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
FOR THE PERIOD FROM INCEPTION OCTOBER 20, 2015 TO DECEMBER 31, 2020
NOTES TO THE FINANCIAL STATEMENTS OF THE PROGRAM

3. Key Accounting Policies, continued

Foreign currency translation

Functional and presentation currency

3.2 The functional and presentation currency of the Fund is the United States dollar (US\$) and the Fund's financial statements are rounded to the nearest thousand. Monetary assets and liabilities in currencies other than United States dollars are translated at market rates of exchange prevailing at the reporting date. Non-monetary items measured at historical cost in currencies other than United States dollars are translated using the exchange rates at the dates of the initial transactions.

3.3 Foreign currency transactions are initially translated into United States dollars at applicable rates of exchange on the transaction dates. Any gains or losses arising as a result of differences in rates applied to income and expenses and to assets and liabilities are shown as an exchange gain or loss in profit or loss in the statement of comprehensive income and accumulated net income for the year.

4. Available cash balance

4.1 The available cash balance as of December 31, 2020 is deposited in the Program's bank account, and includes interest and exchange rate gains.

| <u>Entity</u> | <u>Entity Name</u> | <u>US\$</u> |
|---------------|--------------------|------------------|
| 19705 | 3561-OC-RG | (713,109) |
| 39727 | GRT/FM-15208-RG | 597,885 |
| 39729 | 4712/GN-RG | (254,098) |
| 39731 | GRT/GN-17199-RG | <u>2,000,000</u> |
| Total | | <u>1,630,678</u> |

During the year 2020, interest gains amounted to US\$(54), and currency exchange gains amounted to US\$168.

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
FOR THE PERIOD FROM INCEPTION OCTOBER 20, 2015 TO DECEMBER 31, 2020
NOTES TO THE FINANCIAL STATEMENTS OF THE PROGRAM

5. Advances pending justification

5.1 As of December 31, 2020, the amount pending justification to the IDB amounts to US\$ 6,175,942 and is included in the following disbursement requests pending to be processed or expenses incurred and not included in such requests:

| INVESTMENT CATEGORY | | Unjustified Advances as of December 31, 2020 | | | |
|---|---|--|---------------------------------------|---------------------------------------|-------------|
| | Sub-Loan/Sub-Grant (if applicable) | GEF Grant Agreement (GRT/FM-15208-RG) | CTF Grant Agreement (GRT/TC-15205-RG) | GCF Grant Agreement (GRT/GN-17199-RG) | TOTAL |
| Component II - Reg. framework, inst. strengthening and capacity building | | | | | |
| Training and capacity building interventions for the EA, SPVs, and/or government employees. | N/A | | | \$2,000,000 | \$2,000,000 |
| | GEOHERMAL DRILLING PROJECT - ST. VINCENT AND THE GRENADINES (TA - CAPACITY STRENGTHENING FOR CLO) | | | | - |
| | TECHNICAL ASSISTANCE - INSTITUTIONAL STRENGTHENING ENERGY SECTOR GRENADA | 214,167 | - | - | 214,167 |
| Component III - Intermittent RE and GE | | | | | |
| Funding operations for GE projects. | | - | 3,550,000 | - | 3,550,000 |
| Grants provided to geothermal projects with resources from the Program for drilling or doing pre-feasibility studies. | | - | - | - | - |
| Contingent Recovery Grants (CRG) provided to geothermal projects with resources from the Program | GEOHERMAL DRILLING PROJECT - ST. VINCENT AND THE GRENADINES | - | 3,550,000 | - | 3,550,000 |
| Funding operations for intermittent RE projects. | PHOTOVOLTAIC RENEWABLE ENERGY SYSTEMS - ANTIGUA AND BARBUDA | 411,775 | - | - | 411,775 |
| TOTAL | | \$625,942 | \$3,550,000 | \$2,000,000 | \$6,175,942 |

There were no ineligible program expenses.

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
FOR THE PERIOD FROM INCEPTION OCTOBER 20, 2015 TO DECEMBER 31, 2020
NOTES TO THE FINANCIAL STATEMENTS OF THE PROGRAM

6. Counterpart funds

6.1 Funding for SEF is detailed in the table below.

Table 1 Summary of SEF financing sources

| Operation | Donor / Co-financier | Funding resources |
|-----------|----------------------|--|
| SEF-2015 | IDB | for a total amount of USD20,000,000 (twenty million US Dollars), to be channeled through CDB in the form of loans for the financing of SE development, |
| | CTF | for an amount of USD19,050,000 (nineteen million fifty thousand US Dollars), in the form of non-reimbursable investment grants for the financing by CDB of CRG for exploratory drilling activities; |
| | GEF | for an amount of USD3,013,698 ² (three million, thirteen thousand, six hundred and ninety-eight US Dollars), in the form of non-reimbursable grant resources for the financing of Technical Assistance under SEF-2015 Component 2 and EE and RE investments under SEF-2015 components 1 and 3 respectively, to be channeled through CDB to beneficiaries as follows: <ul style="list-style-type: none"> (1) USD1,004,566 (one million, four thousand, five hundred and sixty-six US Dollars) for SVG (2) USD913,242 (nine hundred and thirteen thousand, two hundred and forty-two US Dollars) for GRE (3) USD1,095,890 (one million, ninety-five thousand, eight hundred and ninety US Dollars) for A&B |

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
FOR THE PERIOD FROM INCEPTION OCTOBER 20, 2015 TO DECEMBER 31, 2020
NOTES TO THE FINANCIAL STATEMENTS OF THE PROGRAM

6. Counterpart funds, continued

6.1 Funding for SEF is detailed in the table below, continued

| | | |
|--------------|-----|--|
| SEF-Expanded | GCF | <p>for an amount of USD80,000,000 (eighty million US Dollars), (the “GCF Proceeds”) to be administered by IDB and channeled through CDB for the purposes of, and to assist in, financing the implementation of the GCF Funded Activity as follows:</p> <ol style="list-style-type: none"> (1) USD60,000,000 (sixty million US Dollars) as reimbursable funds to be provided by IDB to CDB under the GCF Loan Agreement in the form of loans for the implementation of GE Development; and (2) USD20,000,000 (twenty million US Dollars) in the form of: <ol style="list-style-type: none"> a. USD16,000,000 (sixteen million US Dollars), as GCF reimbursable grants to be provided by IDB to CDB under the GCF Grant Agreement in the form of CRG for the implementation of GE Development (i.e. exploratory drilling activities); and b. USD4,000,000 (four million US Dollars) as GCF non-reimbursable grants, to be provided by IDB to CDB under the GCF Grant Agreement in the form of technical assistance grants for the implementation of SEF-Expanded Component 2. |
|--------------|-----|--|

² Of which only USD1,935,698 (one million nine hundred and thirty-five thousand six hundred and ninety-eight US Dollars) for countries SVG and GRE, are co-financing (for the financing of Component 2) under the GCF Loan Agreement.

³ Of which only USD18,040,000 (eighteen million forty thousand US Dollars) are co-financing (for the financing of GE Development Output 1.3) under the GCF Loan Agreement

| Operation | Donor / Co-financier | Funding resources |
|-----------|----------------------|---|
| | REI | <p>for an amount of USD5,607,167⁴ (five million six hundred and seven thousand one hundred and sixty-seven US Dollars), in the form of non-reimbursable grant resources to be channeled through CDB for the implementation of Technical Assistance activities and for purposes of carrying out pre-feasibility studies, including slim-hole drilling, to identify promising exploratory drilling sites for GE development.</p> |

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
FOR THE PERIOD FROM INCEPTION OCTOBER 20, 2015 DECEMBER 31, 2020
NOTES TO THE FINANCIAL STATEMENTS OF THE PROGRAM

7. Procurement of Goods and Services

7.1 The table below details significant categories of expenditure with respect to various categories for the year ended December 31, 2020.

| INVESTMENT CATEGORY | EXPENDITURE ITEM | CTF Grant Agreement (GRT/TC-15205-RG) | GEF Grant Agreement (GRT/FM-15208-RG) | IDB Loan Agreement (3561/OC-RG) | Grand Total |
|--|-----------------------------------|---------------------------------------|---------------------------------------|---------------------------------|---------------------|
| | | US\$ | US\$ | US\$ | US\$ |
| CONSULTANTS FEES | | | \$709,638 | | \$709,638 |
| 5 Project Management & Eval. | ALAIN LAFONTAINE | | 50,000 | | 50,000 |
| 2 Reg. framework, inst. strengthening and capacity | ALDEAN WILLIAMS | | 126,186 | | 126,186 |
| 3 Intermittent RE and GE | ALEX SPENCER | | 34,300 | | 34,300 |
| 2 Reg. framework, inst. strengthening and capacity | HERBERT A SAMUEL | | 248,075 | | 248,075 |
| 3 Intermittent RE and GE | MELESHA BANHAN | | 7,500 | | 7,500 |
| 2 Reg. framework, inst. strengthening and | MOTT MACDONALD | | 60,455 | | 60,455 |
| 2 Reg. framework, inst. strengthening and | WENDY FREDERICK | | 183,123 | | 183,123 |
| GOODS | | | 547,427 | | 547,427 |
| 3 Intermittent RE and GE | GREENTECH SOLAR LIMITED | | 547,427 | | 547,427 |
| INFRASTRUCTURE WORKS | | \$19,050,000 | | \$8,016,000 | \$27,066,000 |
| 3-Intermittent RE and GE | DOMINICA ELECTRICITY SERVICES LTD | | | 8,016,000 | 8,016,000 |
| 3-Intermittent RE and GE | JARDBORANIR HF | 19,050,000 | | | 19,050,000 |
| TRANSFER CHARGE | | | 100 | | 100 |
| 2 Reg. framework, inst. strengthening and | HERBERT A SAMUEL | | 100 | | 100 |
| TRAVEL | | | 656 | | 656 |
| 2 Reg. framework, inst. strengthening and | HERBERT A SAMUEL | | 656 | | 656 |
| Grand Total | | \$19,050,000 | \$1,257,821 | \$8,016,000 | \$28,323,821 |

⁴ The total grant contribution from REI amounts to EUR5,000,000 (equivalent to US\$5,902,281 at an exchange rate of 1.18 US\$/EUR from December 13th, 2017). The amount available for the SEF-Expanded is US\$5,607,167, which is the total contribution net of a 5% administration fee (US\$295,114).

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
FOR THE PERIOD FROM INCEPTION OCTOBER 20, 2015 TO DECEMBER 31, 2020
NOTES TO THE FINANCIAL STATEMENTS OF THE PROGRAM

8. Reconciliation between the “Statement of Cash Received and Disbursements” and the “Statement of Cumulative Investments”

8.1 The following table provides a reconciliation between the Statement of Cash Flows and the Statement of Cumulative Investments.

| Current Period: | US\$ | US\$ |
|---|-------------|-------------------|
| Disbursements Made as per Statement of Cash Flows | | 29,349,882 |
| Less: Reconciling Items: | | |
| Justifications made during the period | - | |
| Amount pending reimbursement | - | |
| Cost of Borrowings | 1,026,061 | |
| Disbursements as per Statement of Cumulative Investments | | 28,323,821 |

CARIBBEAN DEVELOPMENT BANK
PROGRAM SEF FOR THE EASTERN CARIBBEAN
FOR THE PERIOD FROM INCEPTION OCTOBER 20, 2015 TO DECEMBER 31, 2020
NOTES TO THE FINANCIAL STATEMENTS OF THE PROGRAM

Reconciliation by investment categories between the Program's records and the IDB's records

| CATEGORY | Cumulative Balance as per: | | Variance | Explanation for Variances |
|--|--|--|----------------|-----------------------------|
| | IDB Program's Records (Statement of Cumulative Investments) | IDB's Records (OPS 1 Operational and Financial Executive Summary) | | |
| 1-Energy Efficiency | - | - | | |
| 2-Regulatory Framework Institutional Strengthening & Capacity Building | 618,594 | 595,937 | 22,657 | Expenditure to be justified |
| Component III - Intermittent RE and GE | 27,655,227 | 26,852,351 | 802,876 | Expenditure to be justified |
| 5-Project Management & Eval. | 50,000 | 50,000 | - | |
| | 28,323,821 | 27,498,288 | 825,533 | |