



EN



11th EDF
National Indicative Programme
(2014 – 2020)
for co-operation between
Saint Vincent and the Grenadines
and
the European Union

GENERAL CLAUSES

The Government of Saint Vincent and the Grenadines and the European Commission hereby agree as follows:

- (1) The Government of Saint Vincent and the Grenadines, represented by *<name and title>*, and the European Commission, represented by Mikael Barfod, Head of the EU Delegation in Barbados, hereinafter referred to as the Parties, determined the general orientations for cooperation for the period 2014-2020.
These orientations which are included in the National Indicative Programme, concern the European Union Aid in favour of Saint Vincent and the Grenadines and were drawn up in accordance with the provisions of Articles 2 and 4 of Annex IV to the ACP-EC Partnership Agreement, signed in Cotonou on 23 June 2000, revised and signed in Luxemburg on 25 June 2005 and revised and signed in Ouagadougou on 22 June 2010. The National Indicative Programme is annexed to the present document.
- (2) As regards the indicative programmable financial resources which the European Union envisages to make available to Saint Vincent and the Grenadines for the period 2014-2020, an amount of EUR 7 million is foreseen for the allocation referred to in Article 3.2 (a) of Annex IV of the ACP-EC Partnership Agreement (A-allocation). A B-allocation referred to in Article 3.2 (b) can be established to cover unforeseen needs. This allocation is at EUR 0 until a need arises.. These allocations are not entitlements and may be revised by the Commission, following the mid-term and end-of-term reviews, in accordance with Article 5.7 of annex IV of the ACP-EC Partnership Agreement.
- (3) The A-allocation is destined to cover macroeconomic support, sectoral policies, programmes and projects. The National Indicative Programme concerns the resources of the A-allocation. It also takes into consideration financing from which Saint Vincent and the Grenadines benefits or could benefit under other European Union resources. It does not pre-empt financing decisions by the Commission.
- (4) The B-allocation is destined to cover unforeseen needs such as humanitarian, emergency and post emergency assistance, where such support cannot be financed from the EU budget, contributions to internationally agreed debt relief initiatives and support to mitigate exogenous shocks. The B-allocation shall be established according to specific mechanisms and procedures and does therefore not constitute a part of the programming.
- (5) Pending the entry into force of the Internal Agreement between the Representatives of the Governments of the Member States of the European Union, meeting with the Council on the financing of European Union Aid under the multiannual financial framework for the period 2014 to 2020, financing decisions for projects and programmes can be taken by the Commission at the request of the Government of Saint Vincent and the Grenadines within the limits of the A- and B-allocations referred to in this document under the condition that sufficient financial resources are available in the transitional measures ("Bridging Facility") composed of uncommitted balances from the previous EDFs and from funds decommitted from projects or programmes under those EDFs. The respective projects and programmes shall be implemented according to the rules and procedures of the 10th EDF until the entry into force of the 11th EDF implementing rules and financial regulation.

- (6) The European Investment Bank may contribute to the implementation of the present National Indicative Programme by operations financed from the Investment Facility and/or from its own resources, in accordance with Articles 2c and 3 of the 11th EDF multi-annual financial framework for the period 2014-2020.
- (7) In accordance with Article 5 of Annex IV to the ACP-EC Partnership Agreement, the National Indicative Programme as well as the A-and B-allocations can be revised following the mid-term review and the end-of-term review or ad hoc reviews.

Signatures

For the Government of
Saint Vincent and the Grenadines

For the Commission

TABLE OF CONTENTS

1. THE OVERALL LINES FOR THE EU RESPONSE	- 7 -
1.1. Strategic objectives of the EU's relationship with the partner country	- 7 -
1.2. Choice of sector	- 8 -
2. FINANCIAL OVERVIEW (INDICATIVE AMOUNTS)	- 10 -
3. EU SUPPORT PER SECTOR	- 10 -
3.1. Rural Roads (indicative amount EUR 5.98 million).....	- 10 -
4. MEASURES IN FAVOUR OF CIVIL SOCIETY	- 13 -
5. B-ALLOCATION	- 14 -
6. SUPPORT MEASURES.....	- 14 -
6.1 Measures to support or accompany the programming	- 14 -
6.2 Support to the National Authorising Officer	- 14 -
Attachment I: Country at a glance	- 16 -
Attachment II: Donor matrix - indicative allocations per sector	- 18 -
Attachment III: Sector intervention framework and performance indicators.....	- 19 -
Attachment IV: Indicative timetable for commitment of funds.....	- 20 -

LIST OF ACRONYMS

ACP – Africa, Caribbean, Pacific
BAM – Banana Accompanying Measures for the Agricultural Development and Modernisation Programme.
BNTF – Basic Needs Trust Fund
BRAGSA – Bridges, Roads and General Supplies Authority
CARICOM – Caribbean Community
CARIFORUM Caribbean Forum – Forum of the Caribbean Group of African, Caribbean and Pacific (ACP) States
CBOs – Community-based organisations
CDB – Caribbean Development Bank
CIF – Caribbean Investment Facility
CPA – Country Poverty Assessment
CPI – Consumer Price Index
CRIP – Caribbean Regional Indicative Programme
DFID – Department for International Development
DIPECHO – Disaster Preparedness Programme
DRR – Disaster Risk Reduction
EC – European Commission
ECCB – Eastern Caribbean Central Bank
ECHO – European Commission Humanitarian Aid Office
EDF – European Development Fund
EIB – European Investment Bank
EPA – Economic Partnership Agreement
EU – European Union
GDP – Gross Domestic Product
GIS – Geographic information system
GiZ – Gesellschaft fuer internationale Zusammenarbeit.
GoSVG – Government of St Vincent and the Grenadines
ICT – Information and Communications Technology
IDB – Inter-American Development Bank
IFIs – International Financial Institutions
IMF – International Monetary Fund
LAC – Latin America and Caribbean
MDG(s) – Millennium Development Goal(s)
MHPP – Ministry of Housing and Physical Planning
MTW – Ministry of Transport and Works
NAO – National Authorising Office(r)
NESDP – National Economic and Social Development Plan
NIP – National Indicative Programme
NSA(s) – Non-State Actor(s)
OECS – Organisation of Eastern Caribbean States
PPP – Purchasing Power Parity
RDVRP – Regional Disaster Vulnerability Reduction Project
RIP – Regional Indicative Programme
RMMS – Road Maintenance Management System
SIDS – Small Island Developing States
SVG – Saint Vincent and the Grenadines

TA – Technical Assistance
TCF – Technical Cooperation Facility
UK – United Kingdom
UN – United Nations
UNDP – United Nations Development Programme
UNFCCC – United Nations Framework Convention on Climate Change
US(A) – United States (of America)
USAID – United States Agency for International Development
WB – World Bank
XCD – Eastern Caribbean Dollars

1. THE OVERALL LINES FOR THE EU RESPONSE

1.1. Strategic objectives of the EU's relationship with the partner country

The relations between St. Vincent and the Grenadines (SVG) and the European Union (EU) are underpinned by the Joint Caribbean-EU Partnership Strategy, the Cotonou Agreement and the CARIFORUM (Caribbean Forum – Forum of the Caribbean Group of African, Caribbean and Pacific States)-EU Economic Partnership Agreement (EPA). SVG and the EU share a long history, culture and a broad base of common values. Both share a commitment to global peace, progress and prosperity as well as to democracy, human rights, and the rule of law.

The EU continues to be an active partner in supporting regional integration and cooperation, based on its own experience. The CARIFORUM-EU EPA builds a trade partnership for increased competitiveness, economic growth and development, supporting regional integration in the Caribbean and participation in the world trading system. The EU is firmly committed to implement its obligations stemming from the EPA and to assist SVG to implement the EPA. Climate Change and its consequences are key obstacles to sustainable development and the achievement of the Millennium Development Goals. SVG is a Small Island Developing State (SIDS) and is particularly vulnerable. This climate vulnerability exacerbates the already high and inter-linked social, economic and environmental vulnerabilities of the country. Hence, resilience building is an overarching goal of the NIP, guided by relevant EU¹, SVG and CARIFORUM policies. SVG and EU Member States, as signatories to the Kyoto Protocol, have worked together to advance climate change negotiations, and developed policies to reduce the impact of climate change and environmental degradation. They share an interest in achieving a comprehensive, fair and legally-binding outcome under the United Nations Framework Convention on Climate Change (UNFCCC).

The economy of SVG relies heavily on tourism and investment for development and hence is inherently susceptible to external factors. Working together to fight criminal networks is a priority of EU-SVG relations. Strengthening cooperation and capacity building as well as addressing the root causes behind criminal activity and its social impact are key aspects in this regard. SVG and the EU face a number of common global challenges and concerns and are committed to act in a coordinated manner to find joint responses at the international level. Together, SVG, with CARIFORUM partner countries and the EU Member States represent forty-three (43) countries. The goal of cooperation is therefore also to have a more decisive impact on topics of mutual importance.

The 10th EDF allocation for Saint Vincent and the Grenadines was EUR 12.52 million aimed at modernising the health sector. A further allocation of EUR 9.93 million was made from the Banana Accompanying Measures (BAM) for the Agricultural Development and Modernisation Programme. The EU ranks as no. 1 in terms of the volume of aid provided to the country out of approximately fifteen (15) donors. The EU provides 65% (2010) of Official Development Assistance to SVG. EU support and cooperation is provided in support of the efforts of SVG to recover from the effects of recent global economic and financial crises, revive the agricultural sector, restore macro-economic stability, and achieve the Millennium Development Goals. Linkages between the national and CARIFORUM regional

¹COM(2012)586 final and SWD(2013)227 final

programmes will be sought, as will the opportunity to leverage further funds for development interventions; one opportunity for this being the Caribbean Investment Facility (CIF). The EU support complements, and is based on, the analysis and projections of the SVG National Economic and Social Development Plan (2013 – 2025).

1.2. Choice of sector

The 2008 Country Poverty Assessment (CPA) established an incidence of poverty of 30.2 % in SVG. The CPA also found that 48.2 % of the population of 108,500 (2012) are below the vulnerability line which measures the number of persons who are not poor, but are at risk of falling into poverty, as a result of economic shocks or other types of disruption. In particular, in some rural communities, the CPA assessed poverty as high as 43.1 and 55.6 %.

The country's economy remains significantly agrarian in nature in spite of the growth of the service sectors and the declining contribution of the banana industry. The agricultural lands and human capability are among the major resources available to boost economic growth. Agriculture is vital to achieve national food and nutrition security and hunger and poverty reduction, as enshrined in the first Millennium Development Goal. It is also critical in its potential for job creation. Revitalising the agricultural sector provides the opportunity to create linkages with tourism and other sectors (e.g. health), thereby maximising economic growth potential.

SVG is particularly vulnerable to a range of weather-related natural hazards, such as winds, floods, hurricanes and drought. Risks associated with natural hazards are expected to increase with climate change. Recent flood disasters in the Caribbean have highlighted the need for climate resilient rural roads with specific attention to drainage and slope protection, especially in geo-technically fragile areas. In this context, the existence of well-engineered rural roads can also facilitate the prompt and cost-effective delivery of relief in disaster-affected zones.

Rural roads are a key component of rural development. If and when adequately developed and maintained, rural roads enable and foster rural connectivity vital for improving rural incomes (on and off farm), creating productive jobs and promoting access to economic and social services. In addition, access to health and educational facilities is another benefit to rural communities. In the context of SVG, rural roads serve many purposes. Among them are: i) movement of agricultural inputs and produce; ii) access to social facilities; iii) reduction of vulnerability in times of a disaster (and thus building resilience to climate change); and iv) increased economic activities.

For rural roads to fulfil the functions stated above, they have to be well-constructed and subjected to an adequately financed and robust road maintenance programme. Furthermore, in accordance with the Government policies, it is necessary to incorporate green techniques in stabilising embankments and slopes in the vicinity of these roads, as far as possible. During construction or rehabilitation of rural roads, the use of labour intensive techniques, should provide additional employment opportunities to members of the rural communities.

Construction and rehabilitation of roads can have a significant impact on the environment, especially in mountainous terrain, and thus environmental safeguards will be followed. Moreover, the changing weather patterns associated with climate change mean that road design will have to take into account expected future conditions (climate proofing). An enhanced network of rural roads will contribute to building climate change resilience,

reducing vulnerability of the population (increasing adaptive capacity). An improved road network allows easier access of emergency services in case of disaster (including easier evacuations).

Key factors to ensure the required level of maintenance, as shown by global experiences, are the long-term involvement and organisation of the communities concerned, coupled with capacity building and the demonstration of appropriate technical solutions. Additionally, raising awareness and the resulting pressure from the population who stand to lose out on benefits if the original investments are not maintained, should be highlighted. In that sense, rural road programmes are also about governance and transparency. Furthermore, road access in rural communities allows the State to improve delivery of its services leading to improved standards of living.

The Government has outlined a series of measures to reduce the levels of poverty and allow all Vincentians to enjoy an improved quality of life, most recently with the adoption of the National Economic and Social Development Plan (2013-2025). An inadequate and insufficiently maintained road network is highlighted as a physical constraint affecting proposed development goals in the Plan. Objective 4.2 of the Plan addresses the issue of roads specifically. The Government is also preparing a National Poverty Reduction Strategy.

The institutional framework of the rural roads sector is relatively robust. The principal institutional components are the Ministry of Housing and Physical Planning (MHPP), the Ministry of Transport and Works (MTW), the Bridges, Roads and General Supplies Authority (BRAGSA), local contractors and consultants. MHPP is responsible for strategic planning of the road system; the Ministry includes the Geographic information system (GIS) Unit responsible for preparing a common GIS system. The MTW is at the core of the system, being responsible for engineering and other functions.

The Chief Engineer of the MTW sits on the board of The Bridges, Roads and General Supplies Authority (BRAGSA), which is a public company mandated to carry out both road maintenance planning and works. The rural road network is app. 700 km. The terrain is generally mountainous and secondary and minor roads tend to be short, thus affecting constructions costs as well as construction and maintenance techniques. BRAGSA prepares an annual budget request for works which have been specified, costed and prioritised. BRAGSA projects expenditures for 2013 of XCD 5 million for road upgrades, rehabilitation and refurbishment. In addition, it undertakes three major road cleaning programmes each year. This exercise is projected to cost XCD 2.5 million in 2013.

A partial roads inventory was prepared in 2003. It is held in the GIS Unit of the MHPP. BRAGSA has a grading system for road maintenance, heavily focused on emergency access and then farming. A database is being constructed as part of the Regional Disaster Vulnerability Reduction Project (RDVRP). However, it will need to be enhanced to ensure that all the data required for road maintenance purposes is captured.

According to National Accounts data, road transport constitutes approximately 8 % of GDP, making it a significant contributor to the economy. Additionally, transport represents 11.8 % of the Consumer Price Index (CPI), demonstrating the importance of the sector in the country's context.

Investments in rural roads can only have high returns and increase income if complementary initiatives are undertaken. Therefore, links with the EU financed Banana Accompanying

Measures (BAM) will be essential. The BAM’s “value chain” approach with an increased emphasis on investments which increase market access and development of an increasingly commercial agricultural sector will be one of the main selection criteria of a future road maintenance and management system.

Rural Roads, as reiterated in policy documents and statements of the Prime Minister, is a priority sector for the Government and hence it is deemed a very appropriate sector for EU-SVG development cooperation for 11th EDF. Support to rural roads is also in accordance with the priorities of the Agenda for Change of the European Union, in which rural development and territorial planning are among the priorities. Linked with the EU financed Banana Accompanying Measures (BAM) and combined with the interventions by other donors such as the Caribbean Development Bank and the World Bank, the Government’s goal to upgrade its national road network, will receive significant support from the donor community. Access to affordable and reliable transportation widens opportunity and is essential to addressing poverty, unemployment, and other equal opportunity goals such as access to education and health care services. Providing equal access to transportation will be of special interest to the EU.

Lessons learnt will be taken into account during the implementation phase and in particular lessons learned will be taken into account during the identification and formulation phases so as to inform the choices for implementation.

2. FINANCIAL OVERVIEW (INDICATIVE AMOUNTS)

<i>Sector of cooperation</i>	<i>Amount (EUR)</i>	<i>% of Total</i>
<i>Rural roads</i>	5,980,000	85
<i>Measures in favour of civil society (NSA Panel)</i>	120,000	2
<i>Support measures</i>	900,000	13
- <i>Support measures NAO *</i>	600,000	9
- <i>Support measures TCF **</i>	300,000	4
<i>Total</i>	7,000,000	100

* NAO: National Authorising Office(r)

** TCF: Technical Cooperation Facility

The EU response and National Indicative Programme may be complemented by operations financed by the European Investment Bank (EIB) from the Cotonou Investment Facility and/or its Own Resources

3. EU SUPPORT PER SECTOR

3.1. Rural Roads (indicative amount EUR 5.98 million)

3.1.1. The following overall and specific **objectives** will be pursued:

The **overall objective** of the intervention is to enhance the quality of and to improve climate change resilience of the road network in particular rural roads, in Saint Vincent and the Grenadines. This will contribute to the stimulation of economic activities in rural communities and reduced vulnerability to climate change.

The **specific objectives** of the intervention will be to (a) strengthen the national road

management and maintenance programme whilst minimising environmental impacts and (b) upgrade and "climate-proof" village and feeder roads.

3.1.2. For each of the specific objectives the main expected **results** are:

a. *Strengthen the Road Management and Maintenance Programme*
Programme Master Framework Strengthened.

(i) Revised road and traffic legislations; (ii) road database/inventory established and classification system reviewed, including also criteria of vulnerability to climate change (iii) Upgraded GIS-based mapping of the road system; (v) Revised current road strategy plan for Saint Vincent and the Grenadines, including environmental safeguards and climate proofing measures; (v) potential by-pass roads for reducing vulnerability to disasters defined; and (vi) institutional strengthening / capacity building, including on environmental safeguards and climate proofing.

Road Maintenance Management System (RMMS) Strengthened

(i) Construction, rehabilitation and maintenance operations prioritised on a rational and an equitable basis; (ii) Affordable and acceptable maintenance standards adopted; (iii) increased use of "green" techniques and labour-intensive methods in road rehabilitation and maintenance programmes (SVG has some experience to build on from previous EU support), (iv) introduction of environmental safeguards and climate proofing measures in road construction and upgrading parameters and procedures and (iv) institutional strengthening / capacity building (possibly with "twinning arrangements" with EU based entities).

b. To Upgrade Village and Feeder Roads

Selection of Feeder Roads on a priority basis,
Selected Feeder Roads are upgraded

Prioritisation will be informed by the Maintenance and Management System. In addition the following factors will also be considered: (i) complement on-going programmes, such as the BAM; (ii) Improve accessibility to farming area; (iii) Improve accessibility to health and other social facilities; (iv) provide alternative route in the event of major disruptions to network such as landslides or/and coastal erosion; (v) potential for employment generation during construction; (vi) introduction of environmental safeguards and climate proofing parameters.

3.1.3. The main **indicators** for measuring the aforementioned results are contained in the sector intervention framework in Attachment 3.

3.1.4. **Donor coordination** and **policy dialogue** are steered by the Director of Planning, who is also the National Authorising Officer (NAO) and who advises the Government how best scarce resources can be used in order to attain positive growth and development. The Director of Planning has responsibility for the entire portfolio of development partner funding, including the European Union, the World Bank, the Republic of China - Taiwan, the Caribbean Development Bank as well as other bilateral and multilateral partners. The NAO, as Director of Planning in the Ministry of Finance and Economic Planning, also has insights into all aspects of Government's fiscal operations.

The NAO has a comprehensive overview of all on-going and planned operations and is well placed to advise the Prime Minister and Cabinet on all aspects of cooperation, and to ensure close cooperation with other ministries, civil society and the private sector with responsibility

for implementing programmes/projects funded by other donors. Initiatives in collaboration with the public sector investment programme include communication on donor activities and sector-specific donor harmonization meetings.

For the rural roads sector it will be of critical importance to coordinate any intervention funded by 11th EDF, the EU Banana Accompanying Measures for the Agricultural Development and Modernisation Programme (BAM), the World Bank funded Regional Disaster Vulnerability Reduction Project (RDVRP) and the Caribbean Development Bank (CDB) funded Basic Needs Trust Fund Programme. The Ministry of Works will be an integral actor in this coordination in the future, in particular as relates to implementation. Details of international support are shown in Attachment 2.

3.1.5. The Government's **financial and policy commitments** are presented in the draft National Economic and Social Development Plan (NESDP) 2013-2025. This Plan is built around five (5) strategic goals:

1. Re-engineering Economic Growth
2. Enabling Increased Human and Social Development
3. Promoting Good Governance and Increasing the Effectiveness of Public Administration
4. Improving Physical Infrastructure, Preserving the Environment and Building Resilience to Climate Change
5. Building National Pride, Identity and Culture

Accordingly, for the medium term, the overarching objective of Government is to stabilise and subsequently develop the economy, and at the same time continue to address issues of poverty reduction and promotion of social participation. It will seek to achieve this objective through the following:

- The maintenance of macro-economic fundamentals of a stable currency, low inflation, fiscal prudence, enhanced competitiveness and increased productivity.
- The placement of social equity at the centre of consideration in the fashioning of economic policy, so that no group is excluded from the benefits of economic development.
- The pursuance of a policy of balanced growth which is sustainable and which reduces inequality and creates long-term employment. A rebalancing of the state-market relationship in such a way that the private sector assumes a more pivotal role in national development.

Over the medium term, the on-going policies of the government aim at returning to economic growth to at least the pre-2008 level, but in a more resilient, diversified and productive economy. The prospects for the services sector appear to be more promising. The completion of the international airport in 2014 should generate increases in tourism earnings as the international markets recover from the economic crisis. However, the prospects could be further enhanced by a combination of new investments in the sector and an upgrading of the existing room stock.

The Government has planned an expenditure of app. XCD 13 million from domestic sources for the roads sector for the period 2013-2015.

Regarding the 11th EDF programme specifically, the Government is committed to:

- The adoption of Road / Transport Master Framework and the Road Management and Maintenance System,
- The allocation of adequate resources to ensure the overall maintenance and preservation of the country's road network

3.1.6. Environmental assessment

Activities to be financed under 11th EDF will be executed in full compliance with the environmental policies, laws and regulations of the country. Investments will be guided by Government commitments under the St. Georges' Declaration of Principles for Environmental Sustainability in the Organisation of Eastern Caribbean States (OECS). In SVG, environmental assessments are governed by the following laws; Town and Country Planning Act 2008; Environmental Health Services Act No. 15, 1991.

3.1.7. The overall **risk assessment** of the rural roads sector intervention assumes the followings risks and identifies potential mitigation measures:

Risk (R1): Inadequate financial support to cover full cost of the intervention

Mitigating Measures (MM2): Scope may be reviewed and reduced while ensuring that the stated objectives are achieved; other possible sources of additional funding may be obtained.

R2: Effective stakeholder coordination

MM2: Establish ownership by mainstreaming project activities into the agencies' work programmes and conduct comprehensive and participatory consultations as part of the process; clearly identify/clarify roles and responsibilities.

R3: Qualified contractors are available at an affordable price to effectively execute the works

MM3: Widen the advertising coverage; adjust the selection criteria.

R4: Inadequate capacity within key technical agencies.

MM4: As a priority ensure that adequate capacity building takes place as a part of 11th EDF funded activities.

R5: Environmental and climate change risks

MM5: Road design, location, construction and rehabilitation to introduce strict environmental safeguards and climate proofing parameters

Risks (also including risks from natural disasters) will be integrated in a risk informed investment approach and due recognition will also be given to the Climate Risk Assessment approach.

4. MEASURES IN FAVOUR OF CIVIL SOCIETY

In accordance with the Cotonou Agreement and its Annex IV an indicative amount of EUR 120,000 is set aside in support of civil society organisations, specifically the Non-State Actors (NSA) Advisory Panel. This allocation may also be used to finance actions linked to

cross cutting issues.

With EDF 10 support, a process to legally register NSAs in the country was undertaken, in order to support the organisation of these actors and strengthen their involvement in the national dialogue. An “Operational Manual” was also prepared for NSAs. A database of NSAs is currently being finalised and will be used to identify further actors for the NSA Panel for 11th EDF.

The expected results from this allocation are: i) enhanced consultative and participatory processes and involvement of civil society in sector dialogue; ii) stronger involvement of NSA’s in the planning and implementation of road-sector actions. The Government is committed to enhance the role of civil society in governance structures and mechanisms. Various government departments or divisions already have outreach officers at the grassroots level and both directly co-operate with local interest groups and community-based organisations (CBOs) and work closely together with NSAs as an intermediary. Non-State Actors have taken initiatives to further increase their level of organisation, notably through a nascent umbrella network called the Civil Society Forum. Around fifty-five civil society organisations have been involved in deliberations of the Civil Society Forum since its initiation in 2001 and there is a move towards formalisation of the forum.

5. B-ALLOCATION

A B-allocation is included for unforeseen needs (specifically relevant for fragility situations). This allocation is EUR 0 until a need arises. In case of necessity, a Financing Decision to meet an unforeseen or urgent need can be taken.

6. SUPPORT MEASURES

6.1 Measures to support or accompany the programming, preparation or implementation of actions

An indicative amount of maximum EUR 300,000 is foreseen for a Technical Cooperation Facility (TCF), which aims at supporting or accompanying the programming, preparation or implementation of actions. The TCF is not a sector, and is to be used for supporting activities of limited amounts. It may not be used neither for financing small projects in the focal sector, nor for actions related to cross cutting issues. Nevertheless it may be used to finance activities in support of civil society and non-state actors.

6.2 Support to the National Authorising Officer

An indicative amount of maximum EUR 600,000 is foreseen for support to the National Authorising Officer (NAO). This component seeks to maintain and improve the institutional capacity necessary for the efficient planning and implementation of development projects and programmes financed by the EU (i.e. EDF and BAM). A key component will be to ensure adequate visibility of EU interventions in SVG. Further, the NAO will be integral to the process of assisting the Country to access resources under the Caribbean Regional Indicative Programme (CRIP), the Caribbean Investment Facility (CIF) as well as other EU thematic funds including for research.

Attachments

1. Country at a glance
2. Donor matrix showing the indicative allocations per sector
3. Sector intervention framework and performance indicators
4. Indicative timetable for commitment of funds

Attachment I: Country at a glance

St Vincent and the Grenadines	Unit	2010 (or earlier)	2011	2012	2013	Source
POLITICAL						
Status / political rights / civil liberties	Score (F = Free; PF = Partly Free; N = Not Free) / 1 = the most free and 7 the least free rating.	F/2/1	F/1/1	F/1/1	F/1/1	Freedom House
SOCIAL / VULNERABILITY						
Population	Number	98,000	98,000	108,500	-	Statistical Office, Ministry of Finance and Economic Planning
Human Development Index	Index / rank	0.731	0.732	0.733/83		UN
Life expectancy at birth, total	Years	73.9	74.2	74.4	-	Statistical Office, Ministry of Finance and Economic Planning
School enrolment primary	%	105	-	-	-	World Bank
Homicides	Number per 100,000 population (change from year before)	25 (+5)	-	-	-	UN
Poverty (headcount index)	%	30.2 (2008)	-	-	-	SVGCPA
Unemployment	%	-	-	-	-	-
GINI	0 – 1 coefficient	0.40 (2008)	-	-	-	SVGCPA
EVI (Environmental Vulnerability)	Index	337 = Highly Vulnerable	-	-	-	UNEP
Fuel imports	(% of merchandise imports)	22	28	-	-	World Bank
Pop. Living in areas of elevation < 5 meters	%	21,96 (2000)	-	-	-	Centre for International Earth Science Information Network (CIESIN)
Disaster risk reduction progress	Score (1 to 5): 1= worst	-	-	-	-	World Bank
ECONOMICAL						
GDP Growth	%	-2.3	0.3	1.5		Statistical Office, Ministry of Finance and Economic Planning

Public deficit	% GDP	-85	-3.14	-2.2	-	Statistical Office, Ministry of Finance and Economic Planning
Debt	% GDP	65.5	66.8	70.4	67.4	Statistical Office, Ministry of Finance and Economic Planning
Current Account Balance	% GDP	-30.6	-28.7	-27.8	-26.8*	Economy Watch
Inflation	%	0.8	3.2	2.6	3	Statistical Office, Ministry of Finance and Economic Planning
Global Competitiveness	Rank/score/change	-	-	-	-	World Economic Forum
Rating Agencies	Rate	-	B1 (MIS:2011)	-	-	S&P; MIS; FR
FDI, net inflows	BoP, current USD (millions)	96.6	85.1	114.6	-	Statistical Office, Ministry of Finance and Economic Planning
Net ODA and official aid received	Current USD (millions)	23.9	18.1	11.0	-	Statistical Office, Ministry of Finance and Economic Planning
EU Import from / EU Export to	Value: EUR million	62.4/73.4	24.2/45.1	14.5/43.0	-	EU
GOVERNANCE						
Control of Corruption	% / score	82/1.05	-	-	-	Transparency Internat.
Doing Business	Points/Rank	-	73	75	-	World Bank-IFC

* Estimation; ** Forecast

Attachment II: Donor matrix - indicative allocations per sector

Sector: Rural Roads and other relevant programmes

DONORS	
EU (Commission)	BAM - Objective is to increase production, investment, exports and employment in the agricultural sector. The total project cost is €9.93 million over 5 years. A major expected result is the improvement of agricultural infrastructure, with 10 feeder roads rehabilitated by 2014. These roads will lead directly to the proposed greenhouse parks. The budget earmarked for these rehabilitations is €1.48 million
CDB	Basic Needs Trust Fund (BNTF) - Support sustainable asset building and livelihood strategies of communities. Access Roads and Drainage are a primary component. XCD 10 million have been made available over 4 years. These funds could be used to support the ADMP, as well as the 11 th EDF.
CDB	Rehabilitation of the South Leeward Highway, US\$15.7 million.
World Bank	Regional Disaster Vulnerability Reduction Program (RDVRP) - Reduce vulnerability to natural hazards and climate change impacts in Saint Vincent and the Grenadines and the Eastern Caribbean. Its impacts on the road sector would be through: <ol style="list-style-type: none"> 1. Substantial road projects to be undertaken by the Ministry of Transport and Works; 2. Updating of the National Physical Plan (including work on the GIS mapping system and supporting establishment of database); 3. Establishment of the roads and bridges database with BRAGSA.
ROC (Taiwan)	Seven projects including the Rehabilitation of Murray's Road, Rehabilitation of the Vigie Highway, Construction of Vermont/Francois Bridge and Rehabilitation of the Colonarie Bridge. Together these investments are estimated to cost EC\$20.84 million.

Source: Central Planning Division, Ministry of Finance and Planning

Attachment III: Sector intervention framework and performance indicators

Sector: Rural Transport Infrastructure		
Specific objective 1: Strengthen the Road Management Programme		
Expected Results	Indicators ²	Means of verification
<ul style="list-style-type: none"> ▪ Master Framework Strengthened ▪ Road Maintenance Management System (RMMS) Strengthened 	<ul style="list-style-type: none"> I. Status of Master Framework II. Status of RMMMS III. % of Road network in a) poor, b)fair and c) good condition 	<ul style="list-style-type: none"> - EU reports: progress reports, monitoring and evaluation reports - GoSVG reports
Specific objective 2: Upgrade Village and Feeder Roads		
Expected Results	Indicators	Means of verification
<ul style="list-style-type: none"> ▪ Selected feeder roads upgraded 	<ul style="list-style-type: none"> IV. No. of kilometres of road brought to good conditions through rehabilitated or maintenance operation. V. No. of persons in the community employed during project implementation 	<ul style="list-style-type: none"> - EU reports: progress reports, monitoring and evaluation reports - GoSVG reports

The results, indicators and means of verification specified in the present annex may need to evolve to take into account changes intervening during the programming period.

² Baselines will be included in the Action documents at the latest

Attachment IV: Indicative timetable for commitment of funds

	Indicative allocation (million EUR)	2014	2015	2016	2017	2018	2019	2020
SECTOR – Rural Transport Infrastructure	5.98	0	5.98	0	0	0	0	0
Other measures (support to civil society)	0.12	0	0.12	0	0	0	0	0
B- allocation	N/A							
Support measures	0.90	0	0.9		0	0	0	0
• Measures to support or accompany the programming, preparation or implementation of actions	0.30	0	0.3	0	0	0	0	0
• Support to the National Authorising Officer	0.60	0	0	0	0.6	0	0	0
Total Commitments	7.00	0	6.4	0	0.6	0	0	0