

COMPETE CARIBBEAN
PARTNERSHIP FACILITY

CALL FOR
PROPOSALS
PILLAR II

ENHANCING THE BUSINESS AND INNOVATION CLIMATE



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COMPETE CARIBBEAN PARTNERSHIP FACILITY

PILLAR II - ENHANCING THE BUSINESS AND INNOVATION CLIMATE

The major concerns of most, if not all, Caribbean leaders is stimulating private sector led growth to address the pressing issues of debt sustainability and employment, particularly for women and the youth. The Compete Caribbean Partnership Facility (CCPF) was designed to support the implementation of evidenced-based projects that contribute to private sector led growth.

The Compete Caribbean Program (CCP) was formally concluded at the end of February 2017 and, according to an independent end-of-program evaluation, was instrumental in improving the business climate, and competitiveness and productivity in key sectors and participating firms. CCP supported 101 technical assistance projects that involved national regulatory or policy reforms, institutional strengthening, direct support to the private sector, and knowledge production, generating over 12,000 jobs in the region (see www.competecaribbean.org for details on CCP and its achievements).

This year marks the start of the CCPF, which will be implemented over the period 2017-2020. The objectives of CCPF are to (i) to support firms to grow, innovate and enter new sectors and markets; and (ii) to promote an environment that enables innovation and growth by focusing on two strategic pillars: Promoting Productivity and Innovation in Firms (Pillar I); and Enhancing the Business and Innovation Climate (Pillar II). CCPF will build on the successes of CCP but will place greater emphasis on building national capacity to sustain the results achieved; increasing access to program benefits among women and the youth; and climate change.

Initiatives to be financed under Pillar II include:

- (a) Studies aimed at identifying constraints to competitiveness, productivity, innovation and job creation at the national or sector level.
- (b) Reforms aimed at improving the World Bank's Ease of Doing Business Index ranking including support for the drafting of policies, legislation and regulations; and establishing and strengthening institutional frameworks.
- (c) Sector level reforms (e.g., sector level policy, legislation, and regulations; formation or strengthening of sector/industry association; operating standards; workforce development; etc.)
- (d) Capacity assessment of the institutional framework for promoting private sector development, competitiveness, productivity and innovation.
- (e) Establishing and/or strengthening national institutions that promote private sector development, competitiveness, productivity and innovation.

We are pleased to invite each eligible country to submit a maximum of three proposals to Pillar 2 of the CCPF, and are attaching to this letter guidelines for submission. The deadline for submission is August 31, 2017. Submissions will be prioritized/screened by the Compete Caribbean Coordinating Unit, and the results of the screening and next steps will be communicated by September 30, 2017. The guidelines for submission and screening criteria are detailed at Attachment I.

We look forward to furthering and deepening the collaboration, which contributed to the success of the CCP.

Sincerely,

Sylvia Dohnert Ph.D.
Private Sector Development Lead Specialist and Executive Director of the Compete Caribbean Partnership Facility

GUIDELINES FOR SUBMISSION OF PROPOSALS

The three (3) proposals should represent the priority business and innovation climate reform needs of the country and should be identified based on consultations among public sector, private sector and civil society stakeholders. At least one (1) proposal should directly contribute to an improvement in the World Bank's Ease of Doing Business Index rankings (see Attachment II for a concise analysis of current rankings). The sum requested from CCPF, for each project, should not exceed US\$200,000. Proposals should be submitted in the format provided at Attachment III. The designated national CCPF Focal Point is responsible for coordinating the identification, prioritization and submission of proposals. All proposals, from public sector, private sector or civil society, must be submitted to and through the Focal Point by August 31, 2017:

Attn: Mrs. Fiona Hinkson
Executive Director
National Competitiveness & Productivity Council
4th Floor Finance Administrative Centre
Pointe Seraphine, Castries, Saint Lucia
Tel: 1758-468-1587 Fax: 468-2563
Email : marina.aldonza@govt.lc; Cc: fiona.hinkson@govt.lc

Proposals submitted by the Focal Points to the Compete Caribbean Coordinating Unit, are first reviewed to determine compliance with the three General Eligibility Criteria detailed below. If compliant with General Eligibility Criteria, they are then reviewed for compliance with the Prioritization/Screening Criteria (see Table below). Proposals scoring ≥ 100 points will be shortlisted for further consideration. The Compete Caribbean Coordinating Unit will notify applicants of the results of the screening and next steps by September 30, 2017.

General Eligibility Criteria:

1. Country is an eligible beneficiary country: Antigua and Barbuda; The Bahamas; Barbados; Belize; Dominica; Grenada; Guyana; Jamaica; Saint Lucia; Saint Kitts and Nevis; Saint Vincent and the Grenadines; Suriname; and Trinidad and Tobago
2. Participating entity(ies) in the eligible beneficiary country is/are eligible to submit proposals: (i) regional and national governmental agencies; (ii) regional and national chambers of commerce or other legally constituted private sector groups; (iii) universities and research institutions; (iv) entities responsible for facilitating public-private sector dialogue; and (v) private sector associations including small business associations, youth associations and women's business associations.
3. Project does not include any of the List of Excluded Activities (see Attachment IV)

Prioritization/Screening Criteria:

CRITERIA	SCORE
Contributes to an improvement in the World Bank's Ease of Doing Business Index rankings	20
Aligned to national and/or regional development objectives	20
The execution agency can absorb the capacity/implement the project	20
Results are evaluable and there is good Value for Money	20
The project promotes the inclusion of women, youth or vulnerable groups, and/or resilience to climate change	20
Sustainability	20
TOTAL	120

THE BUSINESS CLIMATE IN SAINT LUCIA

Doing Business in Saint Lucia

According to the World Bank Doing Business Indicators, doing business in Saint Lucia has not become easier over the last 4 years¹. The indicator of the country's performance that has worsened the most over the last four years is Getting Electricity (from 12 to 56). Other indicators where Saint Lucia's ranking has fallen significantly relative to the rest of the world are Starting a Business, Dealing with Construction Permits, Getting Credit, Paying Taxes, Protecting Investors, and Resolving Insolvency. In contrast, the country has improved in its ranking for Enforcing Contracts and Trading Across Borders. (See Figure 1.1).

Figure 1.1



Note: Rankings range from 1-190 (best – worst)

Laments of private sector firms in Saint Lucia

In 2014, Compete Caribbean, in collaboration with IDB, launched the regional PROductivity, TEchnology and Innovation firm level survey (PROTEqIN)². According to the data, the top three constraints to private sector firms in Saint Lucia are (1) An inadequately Educated Workforce, (2) Access to Finance, and (3) Labour Regulations, in that order.

¹ World Bank Doing Business Indicators 2017 (<http://www.doingbusiness.org>)

² See the Technical Note on the surveys prepared by Compete Caribbean, IDB, UKaid, Government of Canada, and the Caribbean Development Bank. Available at <https://mydata.iadb.org/api/views/sg55-ptdh/files/37126a4a-cdfa-4da8-bd38-8ffad38d5bb6?download=true&filename=Technical-Note-PROTEqIN-2014&LACES-2011-Survey-Description&Technical-Report.pdf>.

FORMAT FOR SUBMISSION OF PROPOSALS

I. Basic Information:

Country	
Applicant (Name & Contact Details):	
Which Organization Will Lead the Implementation of This Project?	
Project Name:	
Who will benefit from this project?	
How much funding is needed from the CCPF?	
How much resources (cash and/or in-kind) can the lead organization contribute to implementation of the project?	
How many months are required to implement the project?	

II. Background (1page)

The current policies, legislation, regulations and/or institutions that are negatively impacting the performance of the private sector.

III. Project Description (½ page)

The results that the Project will achieve.

The activities to be funded by the project to achieve those results.

IV. Execution Arrangements (maximum of 3 paragraphs)

What is the capacity of the organization, which will lead the implementation of the project: number of staff; annual budget; experience implementing similar projects; details of other agencies, which may participate in the implementation of the project.

V. Sustainability (maximum of 3 paragraphs)

Any factors that may affect the sustainability of the project (e.g., stakeholder commitment, funding, adequate number of skilled personnel; systems; policies, legislation and regulations; etc.)?

What can be done, as part of the project, to address these factors?

VI. Indicative Budget

Activities to be financed under the project	Counterpart Contribution	CCPF	Total
Drafting of legislation			
Stakeholder consultation workshops			
Design and delivery of training			
Monitoring and Evaluation			
Collecting monitoring data			
Contingency			
TOTAL			

LIST OF EXCLUDED ACTIVITIES

The IDB does not grant funding for projects or companies involved in the production, trade or use of products, substances or activities set forth in the list below.

1. Those that are illegal according to the laws and regulations of the host country, or pursuant to international conventions and treaties ratified by this.
2. Weapons and ammunition.
3. Tobaccoⁱ
4. Gambling, casinos and equivalent companiesⁱⁱ
5. Animals and wild plants or products derived from them are regulated in accordance with the Convention on international trade in endangered species of Wild Flora and Fauna (CITES)ⁱⁱⁱ
6. Radioactive materials^{iv}
7. Not caked asbestos fibres^v
8. Projects or forestry operations that are not consistent with the environmental policy and observance of safeguards of the Bank (document GN-2208-20)
9. Compounds of bifenilopoliclorado (PCBs)
10. Pharmaceuticals products subject to phase-out or international ban ^{vi}
11. Pesticides and herbicides subject to phase-out or international ban^{vii}
12. Ozone-depleting substances subject to phasing out international^{viii}
13. Fishing in the maritime environment with drag nets exceeding 2.5 km in length.
14. Transboundary movements of waste and waste products^{ix} except non-toxic waste intended for recycling.
15. Persistent organic pollutants^x
16. Breach of the fundamental principles of workers and rights at work^{xi}

ⁱ Does not apply to sponsors (sponsors) are not substantially involved in these activities. "Not substantially involved" means that the activity is ancillary to the main activities of the sponsor's operations.

ⁱⁱ Not apply to sponsors (sponsors) are not substantially involved in these activities. "Not substantially involved" means that the activity is ancillary to the main activities of the sponsor of operations.

ⁱⁱⁱ See <http://www.cites.org>

^{iv} Does not apply to the purchase of medical equipment, quality control equipment (metering) and other equipment that can prove that the radioactive source is insignificant and/or is properly covered.

^v Does not apply to the purchase and use of sheets of cement asbestos caked in which the asbestos content < 20%.

^{vi} Pharmaceutical products subject to phasing out or banning in United Nations, Banned Products: Consolidated List of Products Whose Consumption and/or Sale Have Been Banned, Withdrawn, Severely Restricted or not Approved by Governments (latest version 2008).

http://www.who.int/medicines/areas/quality_safety/safety_efficacy/who_emp_qsm2008.3.pdf .

^{vii} Pesticides and herbicides subject to phase-out or international ban

^{viii} Ozone-depleting substances are chemicals that react with stratospheric ozone and deplete it, giving as a result the widely spread "ozone holes". The Montreal Protocol lists these substances and their planned reduction and phase-out dates. The chemicals regulated by the referred Protocol include aerosols, refrigerants, fire extinguishing blowers for foams, solvents and agents.

(http://ozone.unep.org/Publications/6ii_publications%20handbooks.shtml).

The fundamental principles and rights at work means: i) freedom of Association and the freedom of Association and the effective recognition of the right to collective bargaining; (ii) the prohibition of all forms of forced or compulsory labour; (iii) the prohibition of child labour, including, without limitation, which it the prohibition that persons under 18 years of age working in hazardous conditions (including construction), performing night work and are declared suitable to work on the basis of a medical examination; and (iv) the Elimination of discrimination in respect of employment and occupation, in which discrimination is defined as any difference, exclusion or preference based on race, color, sex, religion, political opinion or national or social origin. (Organization International Labour, <http://www.ilo.org>).

^{ix} Defined by the Basel Convention (<http://www.basel.int>).

^x Defined by the International Convention on reduction and elimination of polluting organic persistent (September 1999) that currently includes the pesticides aldrin, chlordane, dieldrin, endrin, heptachlor, mirex and toxaphene, as well as the chemical chlorobenzenes for industrial use (<http://chm.pops.int/>).

^{xi} (Principles and fundamental rights at work means: i) the freedom of Association and the effective recognition of the right to collective bargaining; (ii) the prohibition of all forms of forced or compulsory labour; (iii) the prohibition of child labour, including, without limitation, the prohibition of persons under 18 years of age work in hazardous conditions (including construction), performing night work, are declared fit for work on the basis of a medical examination; and (iv) the Elimination of discrimination in respect of employment and occupation, in which discrimination is defined as any difference, exclusion or preference based on race, color, sex, religion, political opinion or national or social origin. (Organization International Labour, <http://www.ilo.org>).