



In partnership with



Donor Matrix

St. Kitts and Nevis

Prepared by:

The Special Studies Unit (SSU), Sir Arthur Lewis Institute of Social and Economic Studies (SALISES), University of the West Indies, Cave Hill Campus, Barbados



© 2013 Inter-American Development Bank. All rights reserved.

Whilst efforts have been taken to verify the accuracy of this information, neither the Inter-American Development Bank nor any sponsor or provider of financing of this information (nor their affiliates) can accept any responsibility or liability for reliance by any person on this information, opinions or conclusions set out herein. The ideas and opinions expressed in this publication belong to the authors and do not necessarily reflect the official opinion of the Inter-American Development Bank, or of any of its employees, agents, member countries and executive directors.

This report was prepared by The Special Studies Unit (SSU), Sir Arthur Lewis Institute of Social and Economic Studies (SALISES), University of the West Indies, Cave Hill Campus, Barbados with funding from the Compete Caribbean Program, a regional private sector development, technical assistance initiative financed by the Inter-American Development Bank (IDB), Canada, and the United Kingdom Department for International Development (DFID), supports projects in 15 Caribbean countries. Projects in the OECS countries are implemented in partnership with the Caribbean Development Bank.

DMX: Analysis of Donor Projects and Programs in St. Kitts and Nevis

Both multilateral and bilateral donors provide support for private sector development in St. Kitts and Nevis. The main multilateral donors include the Caribbean Development Bank (CDB), the International Bank for Reconstruction and Development (World Bank), International Finance Corporation (IFC), European Investment Bank (EIB), the Delegation of the European Union to Barbados and the Eastern Caribbean (EU) while some bilateral assistance is obtained from USAID and the Canadian International Development Agency (CIDA). In addition, multi-donor support is provided through Compete Caribbean.

In relation to the nature of projects funded, the majority of active projects are focussed on the Business Support, Finance (access to finance), the Business Environment in general or a combination of these objectives. For projects focussed on these objectives, there are 35 active or recently completed donor funded projects in St. Kitts and Nevis specifically, and 12 operating at the OECS level. Of these projects, at the country level, the majority of projects are focussed on the Business Environment (40%), which is also the largest objective in terms of funding at US\$15 million. In terms of the sector focus, 57% of these main objectives are targeted at the service sector.

Table 1: Main Objectives and Sector Profiles of Donor Projects in St. Kitts and Nevis and the OECS

Location	Objective	Share (%)	Agriculture (%)	Industry (%)	Services (%)	Value of Active Projects (US \$'000)
St. Kitts and Nevis	Business Support/Institutional Structure	28.6	8.6	8.6	8.6	\$ 7,493
	Access to finance	25.7	2.9	11.4	14.3	\$ 9,093
	Business Environment	40.0	8.6	11.4	34.3	\$ 15,243
	Business Support/Finance	5.7				\$ 3,820
	TOTAL St. Kitts and Nevis	100.0	20.0	31.4	57.1	\$ 35,648
OECS	Business Support/Institutional Structure	41.7	8.3	8.3	8.3	\$ 31,140
	Access to finance	16.7	8.3	8.3	16.7	\$ 1,940
	Business Environment	25.0	8.3	8.3	8.3	\$ 14,190
	Business Support/Finance	16.7	8.3	8.3	8.3	\$ 2,060
	TOTAL OECS	100.0	33.3	33.3	41.7	\$ 49,330

At the OECS level, for projects in these areas which are operating at the subregional level, the service sector is also the focus, accounting for 42% of projects. In terms of the number of projects and value, the Business Support/Institutional Structure objectives dominate with 42% of projects and funding in excess of US\$31 million.

In terms of gaps in support, although access to finance has been noted as a major obstacle to business development in the region, projects specifically targeting this area at the subregional level only account for 17% of projects, and less than US\$2 million in funding. At the domestic level in St. Kitts and Nevis, specific projects addressing this issue account for 26% of projects and US\$9 million in funding, although this is the second largest area of funding.

In taking the region as a whole, a similar situation is seen where access to finance is only the main focus of 14% of projects, and a joint focus with Business Support for 13% of projects.

Table 2: Overview of Main Donor Projects by Objective, Sector and Value¹

Objective	Active/Recent Completed Projects	Average Share (%)	Agriculture Projects (% of total)	Industry Projects (% of total)	Services Projects (% of total)	Total Value of Main Projects (US\$'000)
Business Support/ Institutional Structure	67	27.0	6.3	7.9	10.8	\$ 107,738
Access to finance	36	14.1	5.9	6.7	10.6	\$ 104,390
Business Environment	91	33.5	9.0	10.1	19.0	\$ 155,733
Business Support/ Access to finance	35	12.9	4.8	5.2	7.0	\$ 96,996
Total	229	-	26.0	30.0	47.4	\$ 464,857

As indicated in the table above, the greatest number of projects relate to the Business Environment, accounting for on average 34% of projects at a total value of US\$156 million. In terms of sector concentration, on 47% of projects are focussed on services. The table below outlines the main information by the main objectives, sector of focus and value at the country level in the OECS.

¹ Note that some percentages do not sum to 100% due to rounding during aggregation.

Table 3: Main Objectives and Sector Profiles of Donor Projects in the OECS and Member States

Country	Objective	Active/Recently Completed Projects	Share of Total (%)	Agriculture Projects (%)	Industry Projects (%)	Services Projects (%)	Total Value of Main Projects (US\$'000)
Antigua and Barbuda	Business Support Institutional Structure	12	37.5	6.3	3.1	9.4	\$ 15,350
	Access to finance	5	15.6	6.3	6.3	6.3	\$ 1,250
	Business Environment	11	34.4	3.1	9.4	3.1	\$ 19,049
	Business Support and Access to finance	4	12.5	3.1	3.1	9.4	\$ 3,457
	TOTAL	32	100.0	18.8	21.9	28.1	\$ 39,105
Dominica	Business Support Institutional Structure	11	31.4	11.4	11.4	22.9	\$ 14,553
	Access to finance	6	17.1	11.4	11.4	17.1	\$ 20,873
	Business Environment	15	42.9	2.9	11.4	42.9	\$ 20,243
	Business Support and Access to finance	3	8.6	2.9	2.9	8.6	\$ 4,150
	TOTAL	35	100.0	28.6	37.1	91.4	\$ 59,819
Grenada	Business Support Institutional Structure	10	28.6	5.7	14.3	20.0	\$ 9,950
	Access to finance	7	20.0	5.7	5.7	20.0	\$ 11,081
	Business Environment	16	45.7				\$ 19,688
	Business Support and Finance	2	5.7			5.7	\$ 34,658
	TOTAL	35	100.0	11.4	20.0	45.7	\$ 75,377
St. Kitts and Nevis	Business Support Institutional Structure	10	28.6	8.6	8.6	8.6	\$ 7,493
	Access to finance	9	25.7	2.9	11.4	14.3	\$ 9,093
	Business Environment	14	40.0	8.6	11.4	34.3	\$ 15,243
	Business Support and Access to finance	2	5.7				\$ 3,820
	TOTAL	35	100.0	20.0	31.4	57.1	\$ 35,648
St. Lucia	Business Support Institutional Structure	11	28.9	5.3	10.5	7.9	\$ 15,450
	Access to finance	5	13.2	10.5	7.9	7.9	\$ 22,651
	Business Environment	16	42.1	21.1	18.4	15.8	\$ 37,674
	Business Support and Access to finance	6	15.8	2.6	5.3	5.3	\$ 7,243

Cou ntry	Objective	Active/Rece ntly Completed Projects	Share of Total (%)	Agricultu re Projects (%)	Industry Projects (%)	Services Projects (%)	Total Value of Main Projects (US\$'000)
	TOTAL	38	100.0	39.5	42.1	36.8	\$ 83,017
St. Vincent and the Grenadines	Business Support Insitutional Structure	8	19.0	4.8	7.1	9.5	\$ 13,803
	Access to finance	2	4.8	2.4	2.4	2.4	\$ 37,503
	Business Environment	16	38.1	19.0	11.9	28.6	\$ 29,647
	Business Support and Access to finance	16	38.1	11.9	11.9	11.9	\$ 41,608
	TOTAL	42	100.0	38.1	33.3	52.4	\$ 122,561
OECS Level	Business Support Insitutional Structure	5	41.7	8.3	8.3	8.3	\$ 31,140
	Access to finance	2	16.7	8.3	8.3	16.7	\$ 1,940
	Business Environment	3	25.0	8.3	8.3	8.3	\$ 14,190
	Business Support and Access to finance	2	16.7	8.3	8.3	8.3	\$ 2,060
	TOTAL	12	100.0	33.3	33.3	41.7	\$ 49,330