



REGIONAL DEVELOPMENT COOPERATION STRATEGY (RDCS)

DECEMBER 31, 2020 – DECEMBER 31, 2025

CONTENTS

ABBREVIATIONS AND ACRONYMS	ii
1. EXECUTIVE SUMMARY	1
2. REGIONAL CONTEXT	6
OVERVIEW	6
TRANSFORMATIVE DEVELOPMENT	7
RESILIENCE TO SHOCKS (NATURAL AND HUMAN-MADE)	10
COVID-19 PANDEMIC IMPACT	11
PARTNER STAKEHOLDER PRIORITIES	12
3. STRATEGIC APPROACH	14
RESILIENCE AS A GUIDING PRINCIPLE	15
PROGRAMMATIC PRIORITIES	15
CROSS-CUTTING THEMES	17
KEY APPROACHES	19
STRATEGIC ALIGNMENT	21
4. RESULTS FRAMEWORK	21
GOAL STATEMENT AND NARRATIVE	21
RDO 1: GOVERNMENT ACCOUNTABILITY AND TRANSPARENCY IMPROVED	21
RDO 2: COMMUNITY RESILIENCE STRENGTHENED	28
5. MONITORING, LEARNING, AND EVALUATION	32
6. ANNEXES	33

ABBREVIATIONS AND ACRONYMS

A&A	Acquisitions and Assistance
BHA	USAID Bureau for Humanitarian Assistance
CARICOM	Caribbean Community
CARTAC	Caribbean Regional Technical Assistance Centre
CBSI	Caribbean Basin Security Initiative
CDB	Caribbean Development Bank
CDEMA	Caribbean Disaster Emergency Management Agency
CFYR	Community, Family, and Youth Resilience
CLA	Collaborating, Learning, and Adapting
CSME	Caribbean Single Market and Economy
C-TIP	Countering Trafficking in Persons
CSO	Civil Society Organization
DRM	Domestic Revenue Mobilization
ESC	Eastern and Southern Caribbean
EU	European Union
FSD	Financing Sustainable Development
GBV	Gender-Based Violence
ICS	Integrated Country Strategy
ICT	Information and Communication Technology
IADB	Inter-American Development Bank
IR	Intermediate Result
LGBTQI+	Lesbian, Gay, Bisexual, Transgender, Queer and Intersex
MEL	Monitoring, Evaluation, and Learning
NPI	New Partnership Initiative
ODA	Official Development Assistance
OECS	Organization of Eastern Caribbean States
PFM	Public Financial Management
RDCS	Regional Development Cooperation Strategy
RDO	Regional Development Objective
RDR	Redefining our Development Relationships
RF	Results Framework
SIDS	Small Island Developing States
TIP	Trafficking in Persons
WHA	U.S. State Department Bureau for Western Hemisphere Affairs

I. EXECUTIVE SUMMARY

The USAID/Eastern and Southern Caribbean (USAID/ESC) Mission’s goal for the 2020-2025 Regional Development Cooperation Strategy (RDCS) is to support the ESC in creating **“a safe, prosperous, and resilient Caribbean region that supports its vulnerable populations, withstands external shocks, and promotes accountable institutions, economic development, and private sector-led growth.”** To achieve sustained transformative development, the ESC will need to address key challenges around fiscal management, governments’ capacity to be responsive to citizens, diversification of economic opportunities, security, education, and mitigation of disasters. The Results Framework developed for this RDCS positions the ESC to engage with the private sector and other key stakeholders in the region; use resilience as a guiding principle throughout the strategy; and emphasize a redefined model of USAID and government partnerships, including with regional organizations.

USAID/ESC directs regional programming in 11 countries, ten of which are in the ESC region: Antigua and Barbuda, Barbados, Dominica, Grenada, Guyana, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago. In April 2020, USAID/ESC also was conferred programmatic oversight of The Bahamas, given USAID’s role in disaster preparedness and response programming.

As underscored by P.L. 114-291, the *United States-Caribbean Strategic Engagement Act of 2016* (“the Act”), the Caribbean remains of geopolitical importance to regional and U.S. national security. The Act mandated the development of an interagency strategy, titled *U.S. Strategy for Engagement in the Caribbean* (“U.S.-Caribbean 2020 Strategy”), which outlines the Department of State and USAID’s priorities for U.S. engagement in the Caribbean region.¹ This RDCS advances the regional strategy by emphasizing common objectives in the areas of security, diplomacy, prosperity, energy, education, and health.

Despite the region’s development gains in the 40 to 60 years since ESC countries’ independence, there remain many shared challenges to sustaining prosperity in the region. Crime and violence remain a serious concern—six USAID/ESC countries (including The Bahamas) appear on the world’s top 25 list for homicide rates—which harms productive investment and limits livelihood opportunities across the region. Outdated technical systems limit efficiency, insufficient government staff levels leave priorities unaddressed, and weak data collection and analysis detracts from evidence-based decision making. Weak coordination among governments, the private sector, and civil society also limits progress toward financing sustainable development (FSD) across the region.

Resilience to shocks is an unrelenting concern in the region. The ESC region remains among the most vulnerable to both natural (i.e., climate variability and change) and human-made hazards, with many of its countries experiencing severe impacts from hurricanes and strong tropical storms in recent years. These challenges not only reduce safety and damage prosperity, but they also hinder resilience and the region’s ability to sustain growth. Further, most of the ESC countries are classified as small island developing states (SIDS), which often have limited human capacity and economic growth bases, a lack of natural resources due to small land areas, and a risk of extreme national level economic losses due to periodic natural disasters. These small and homogenous economies have a minimal buffer to recover

¹ “U.S. Strategy for Engagement in the Caribbean,” U.S. Department of State, accessed on December 28, 2020, <https://www.state.gov/u-s-strategy-for-engagement-in-the-caribbean/>.

from exogenous shocks, and risk widespread economic contraction due to overdependence on single economic sectors such as tourism. Moreover, high energy costs significantly hinder development in the ESC region. The ESC is more than 90 percent dependent on imported fossil fuels for its energy needs,² which are some of the most expensive energy supplies in the world. The high demand for foreign exchange to purchase these fuels drives up consumer prices and harms export competitiveness, further exacerbating poverty and limiting sustained economic growth.

Trafficking in persons (TIP) remains another serious challenge in the Caribbean region. As per the June 2020 Trafficking in Persons Report,³ five ESC countries are on the Tier 2 list, with another on the Tier 2 watchlist. In collaboration with other U.S. Government agencies, the Mission will work with partner governments to increase commitment to countering trafficking in persons (C-TIP) efforts. Focusing on the protection and prevention dimensions of C-TIP, USAID programming will seek to reduce the vulnerability of high-risk groups to trafficking, increase identification of trafficked persons and promote their access to high-quality support and judicial services, and engage the private sector to reduce TIP.

The most recent International Religious Freedom report does not identify any of the ESC countries as countries of concern. Other reports similarly find high acceptance of religious freedom in the region and minimal risks or threats to religious or ethnic minorities.

The RDCS reflects the priorities of the U.S. March 2021 Interim National Security Strategic Guidance, the Department of State and USAID Joint Strategic Plan, the State Department's Bureau for Western Hemisphere Affairs (WHA)-USAID Bureau for Latin America and the Caribbean (LAC) Joint Regional Strategy, the WHA U.S. Strategy for Engagement in the Caribbean (U.S.-Caribbean 2020), the Caribbean Basin Security Initiative (CBSI), USAID's Policy Framework, and the Integrated Country Strategy (ICS) of the U.S. Embassies in Barbados, Guyana, Suriname, and Trinidad and Tobago. Further, the RDCS reflects the priorities of the Caribbean Community (CARICOM) and the Organization of Eastern Caribbean States (OECS).

The RDCS goal and results framework (RF) are grounded in a recognition that the ESC can move the needle on regional challenges through responses that underscore accountability, transparency, and the participation of communities in development. Given the shared challenges among ESC countries, the RDCS aims to affect safety, prosperity, and resilience regionally rather than carrying out country-specific strategies. To accompany the ESC in achieving the RDCS goal, USAID/ESC will work through two Regional Development Objectives (RDOs).

RDO 1: Government Accountability and Transparency Improved. USAID seeks to strengthen national institutions and systems, support citizen interests, and improve citizen oversight. Work in this area will equip governments of the region with enhanced national financial management systems to contribute to more effective administration and an enabling environment more conducive to attracting more investments from the western hemisphere. Reducing systemic barriers to economic growth will contribute to regional growth. Moreover, increased domestic resources mobilization and accountability

² "There's tremendous interest in adopting renewables across the Caribbean," World Bank, January 2015, <https://www.worldbank.org/en/news/feature/2015/01/27/renewables-caribbean>.

³ "2020 Trafficking in Persons Report," U.S. Department of State, June 2020, <https://www.state.gov/reports/2020-trafficking-in-persons-report/>.

will enable ESC countries to better direct their resources toward citizen needs and promote equitable social and economic development.

RDO 2: Community Resilience Strengthened. Building upon lessons learned over the past five years, USAID seeks to strengthen citizen security and community resilience through targeted programming. Efforts include reducing gender-based violence and other forms of crime and violence at the community level as well as engaging private sector entities to ensure youth are mentored and equipped with skills that can be more readily absorbed into meaningful employment. Interventions will also help communities reduce vulnerabilities by engaging citizens in governance, community development, and building disaster management capacity.

The strategy is built on a framework where four priority sectors—financing sustainable development, citizen security, education, and resilience—advance the two RDOs to achieve the goal of safety, prosperity, and transformative development in the region. The cross-cutting themes of gender, innovation, private sector engagement, civil society organization inclusion, countering trafficking in persons, and impact of pandemics are integrated into the priority sectors. Key approaches that outline how the Mission will implement both programmatic priorities and cross-cutting pillars will include: redefining the relationship with partner governments by making them stakeholders in programs; improving data to drive evidence-based solutions; and leveraging digital solutions to bring new efficiencies and productivity to the region.

Resilience as a Guiding Principle. USAID/ESC uses an expansive definition of “resilience”—both as a programmatic sector and as a guiding principle to programming—to encompass more than the USAID climate adaptation-focused lens. In the ESC RDCS, resilience refers to the capacity of people, households, communities, countries, and systems to mitigate, adapt to, and recover from challenges and shocks in a manner that reduces chronic vulnerability and facilitates inclusive growth.

Figure 1: Risk as a function of hazards, stressors, impacts, and resilience



This resilience may apply to economic (e.g., downturn in tourism), technological (cyberattack), political shocks, or natural disasters (hurricanes/floods and sea-level rise). Developing the elasticity in systems, resources, and skills that enable quick recovery is a key element to avoid the backsliding in development gains often seen in response to recent natural events.

The Mission will also advance the Agency’s priorities of working with new and underutilized partners, incentivizing private capital, and catalyzing private sector activity. USAID will contribute to increased private sector engagement in the region through the whole-of-U.S. Government approach in the Caribbean by complementing efforts to create an enabling environment and attract private investment across the region. International cooperation in the region remains important, with participation from bilateral donors, international financial institutions, the European Union, and UN agencies. While donor coordination in the region is complex and varies considerably from country to country, USAID/ESC will continue to collaborate and partner with donors and regional organizations (CARICOM and the OECS) to advance shared development priorities.



Families in Action activity within the Community Resilience Initiative, Trinidad and Tobago.

PHOTO CREDIT: USAID/ESC

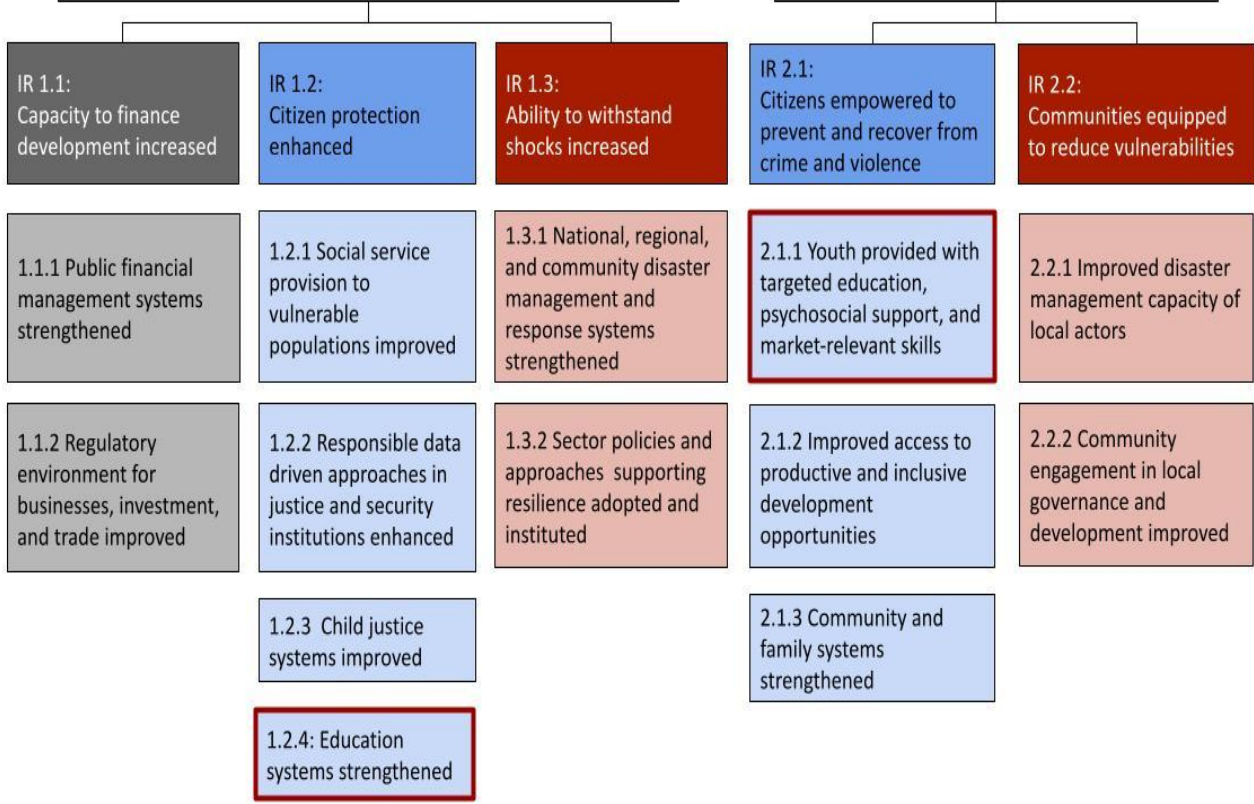
As of the writing of this RDCS, the COVID-19 pandemic continues to have a devastating impact on the ESC. While the region initially managed the health impacts of COVID-19 well, with relatively low deaths and cases as compared to its Latin American neighbors, there is an escalating and deepening negative impact on the region’s economies and social structures. Caribbean nations are among the countries most dependent on tourism, generating more than 40 percent of both GDP and employment for Antigua and Barbuda, The Bahamas, Barbados, and Saint Lucia. Government revenue decreased significantly while spending levels increased due to the COVID-19 response, which may result in a lengthy and uneven recovery period as well as further indebtedness. Further, rising joblessness leads to increased poverty and crime. The pandemic has also deeply affected education, with thousands of learners across the region deprived of instruction due to limited infrastructure and capacity for virtual learning, unstable energy supplies, and economic stresses on households. USAID/ESC is factoring the emerging impacts of the COVID-19 pandemic into the strategy and recognizes the need for program flexibility. The pandemic has served as an important reminder that **resilience cannot be a response to crisis, but must instead be planted and nourished during the calm.**

The results framework highlights how programming in four priority sectors contributes to the RDOs. The Intermediate Result (IR) and sub-IRs in grey text boxes are results of financing sustainable development programming, which contribute to RDO I. Programming in three priority sectors—citizen security, resilience, and education—contribute to both RDOs. The IRs and sub-IRs in blue text boxes pertain to citizen security, while those in red text boxes relate to resilience. The two sub-IRs in text boxes with red borders are affected by education programming.

Goal Statement
 A safe, prosperous and resilient Caribbean region that supports its vulnerable populations, withstands external shocks, and promotes accountable institutions, economic development, and private sector led growth.

RDO 1: Government Accountability and Transparency Improved

RDO 2: Community Resiliency Strengthened



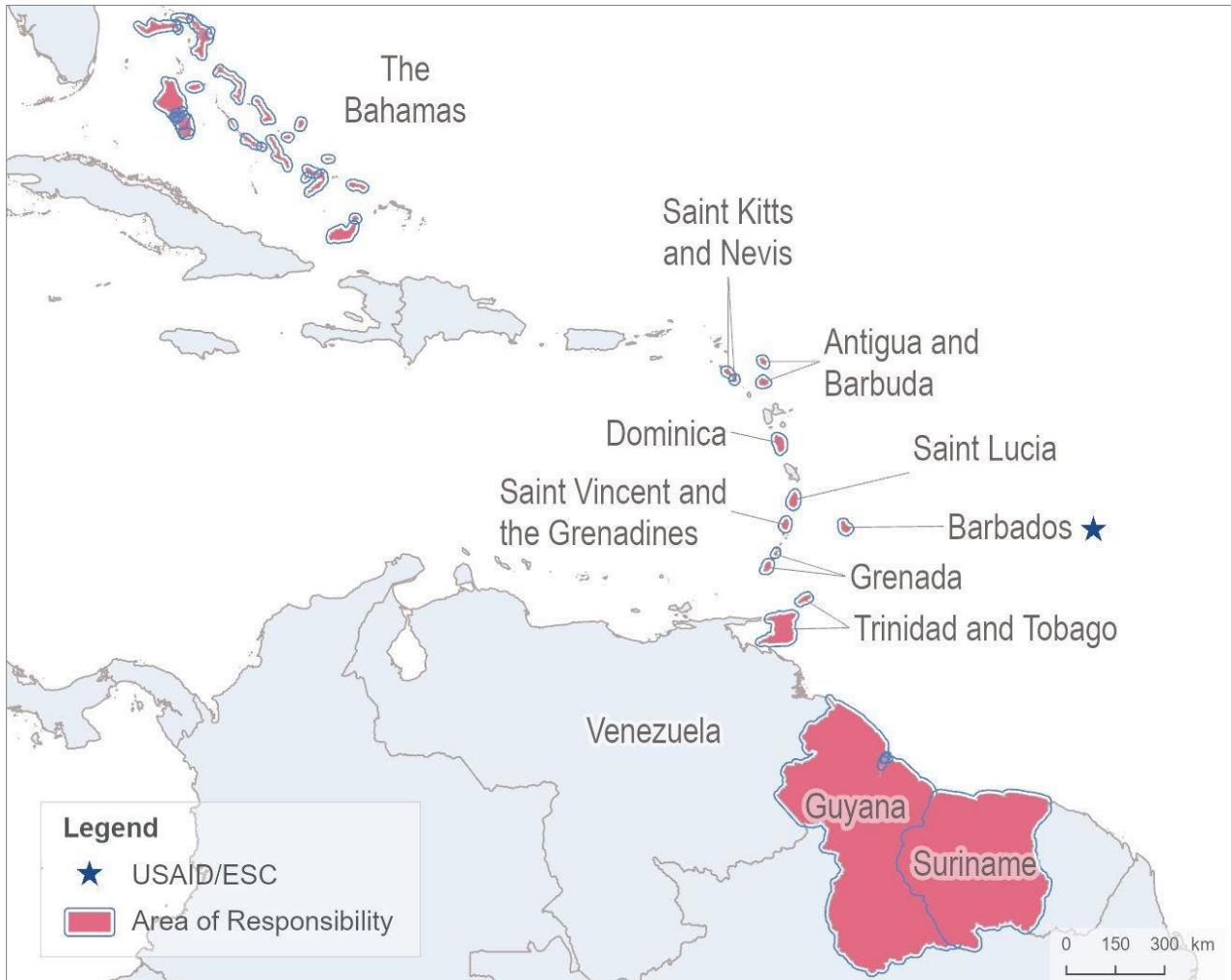
Cross-cutting Themes: private sector engagement, gender, civil society organization inclusion, innovation, C-TIP, pandemics (e.g., COVID-19)

2. REGIONAL CONTEXT

OVERVIEW

The Caribbean spans 1.063 million square miles,⁴ and the Eastern Caribbean makes up roughly one-third of that area. With a regional per capita income of \$12,355 (2019 estimate),⁵ the countries of the ESC have an economic importance that belies their small size, thanks to their key productive sectors of tourism, agriculture, metals exports, and energy.⁶

Figure 2: Map of USAID/ESC's Program Area



Produced by USAID GeoCenter, January 2021

⁴ "Caribbean Sea," Britannica, <https://www.britannica.com/place/Caribbean-Sea>.

⁵ "GDP per capita," World Bank Open Data, <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD>.

⁶ "Caribbean Quarterly Bulletin: A Pandemic Surge and Evolving Policy Responses," Inter-American Development Bank, November 2020, <https://publications.iadb.org/en/caribbean-quarterly-bulletin-volume-9-issue-3-november-2020>.

Guyana and Suriname have each recently made oil discoveries that are expected to grow their respective economies. Guyana's economy grew by 43.4 percent in 2020⁷ and, notwithstanding the impacts of COVID-19, the IMF projected a 16.4 percent growth in 2021.⁸ Robust systems need to be established to productively manage that significant fiscal influx. The region as a whole depends heavily on the tourism sector and suffers from a high debt burden, adding to vulnerability in economic growth that has been exacerbated by a ten-year decline in official development assistance (ODA) to the ESC.

The region is ethnically diverse, including significant representation of Indigenous Peoples, as well as persons of African, East Indian, Portuguese, Lebanese-Syrian, Chinese, Javanese, and European descent. This diversity likely contributes to the region's high tolerance for religious freedom.⁹ In the roughly 50 years since ESC countries achieved their independence, the region has remained relatively politically stable. In 2020, Guyana, Suriname, St. Kitts and Nevis, and St. Vincent and the Grenadines held general elections, which were all largely carried out without incident and ultimately respected their citizens' choices.

TRANSFORMATIVE DEVELOPMENT

A self-reliant Eastern Southern Caribbean requires resilient economic growth, updated fiscal processes, and strong engagements by the citizenry. The ESC's path to transformative development represents a complex intersection of building on development gains, addressing capacity gaps, and launching meaningful bilateral engagements. The region's generally well-functioning democracies have shown commitment to improving citizen security, bolstering energy independence, and enhancing resilience, but have lacked key aspects of capacity to successfully implement those initiatives. Despite stronger commitment, the landscape analysis for the region highlights trends that require attention (see Annex A).

LOW GOVERNMENT CAPACITY

Small island states still require a full complement of well-equipped government agencies, but most ESC countries lack the fiscal resources to appropriately staff their agencies or adequately train their public servants. This low public sector capacity constrains their ability to advance transformative development in key sectors. Progress will require governments to retool and increase support in new areas, including technical systems and data collection and analysis. The financial crisis of 2007 deepened economic stagnation, increased foreign debt, further eroded competitiveness, and exacerbated unemployment and underemployment. Moreover, frequent natural disasters due to climate change, and increased borrowing in the wake of the COVID-19 pandemic also compounded the problem of public debt. In total, addressing the issue of low government capacity in the ESC will require significant commitment on the part of partner governments in combination with external assistance. The current strategy contributes to improving partner governments' capacities by employing a combination of digital tools and targeted technical assistance.

⁷ "Guyana," IMF, April 2021, <https://www.imf.org/en/Countries/GUY..>

⁸ Ibid.

⁹ None of the ESC countries were highlighted in the 2019 International Freedom Report.

CONSTRAINTS ON ECONOMIC GROWTH

Low diversification of economic opportunities and limited potential for expansion of markets constrain economic growth in the ESC. The countries' economies depend either on the tourism sector or the commodity export sector. In several countries, tourism has grown at the expense of local industries, such as agriculture. For example, in St. Lucia, tourism provides 40 percent of employment. The agriculture sector has fallen, as more than 80 percent of banana farmers have exited the sector. At the same time, the skills and abilities of the workforce do not correlate with jobs generated by the private sector. Business and fiscal inefficiencies result in difficulties starting a business, registering property, gaining access to credit, and insufficient domestic resource mobilization.¹⁰ Consequently, unemployment remains stubbornly high—in the vicinity of 20 percent absent shocks such as natural disasters or the current pandemic.¹¹ Moreover, the private sector sees less opportunity in the smaller markets and therefore does not generate the business activity needed for robust national-level economies. An obvious response is greater inter-island cooperation, and Caribbean states have moved toward increased regional integration for three decades. Even so, the aforementioned barriers restrict economic growth and diversity as they disproportionately affect nascent small and micro-enterprises and tilt the playing field toward large local companies. At the individual level, the lack of economic opportunity means that many people live on the edge of poverty and remain vulnerable to disasters. In particular, COVID-19 pushed severe poverty rates to between 2.5 and 16.5 percent in Antigua and Barbuda, Dominica, Grenada, St. Kitts, St. Lucia, and St. Vincent and the Grenadines.¹²

Inefficient tax systems also constrain economic growth and likely contribute to high debt levels. Even prior to the compounding impacts of COVID-19, Barbados' debt ratio exceeded 100 percent, while the debt ratio of three members of the Organization of Eastern Caribbean States (OECS)—Antigua and Barbuda, St. Kitts and Nevis, and St. Vincent and Grenadines—exceeded 75 percent.¹³ Commodity-exporting countries have generally fared better. This is most notable in Guyana, where the oil boom is expected to drive down debt-to-GDP ratios. However, debt levels are expected to increase in Trinidad and Tobago, despite that country's significant oil and gas resources. Similarly, debt levels may rise in Suriname despite their large exports of bauxite.¹⁴ As debt service becomes a larger proportion of national budgets, the availability of public funding for investment and social services may decline, slowing development progress and stalling important initiatives. The strategic approaches prioritize engaging the private sector and governments as key stakeholders in their development, and focus on resilience and transparency in government fiscal processes to contribute to reducing economic constraints to growth.

¹⁰ "Financing Self Reliance Dashboard," USAID, 2019, <https://idea.usaid.gov/fsr/>.

¹¹ Organization of Caribbean States Regional Economic Review, USAID Bureau of Development, Democracy and Innovation, December 2020.

¹² "The Socio-economic Impact of COVID-19 on Children and Young People in the Eastern Caribbean Area," UNICEF-USAID, April 2020, <https://www.unicef.org/easterncaribbean/media/1956/file/Socio-economic%20Impact.pdf>.

¹³ "General Government Gross Debt," International Monetary Fund Datasets, accessed December 2020, https://www.imf.org/external/datamapper/GGXWDG_NGDP@WEO/BRB?zoom=BRB&highlight=BRB.

¹⁴ "OECD Economic Outlook," OECD iLibrary, December 2020, https://www.oecd-ilibrary.org/economics/oecd-economic-outlook/volume-2020/issue-2_39a88ab1-en.

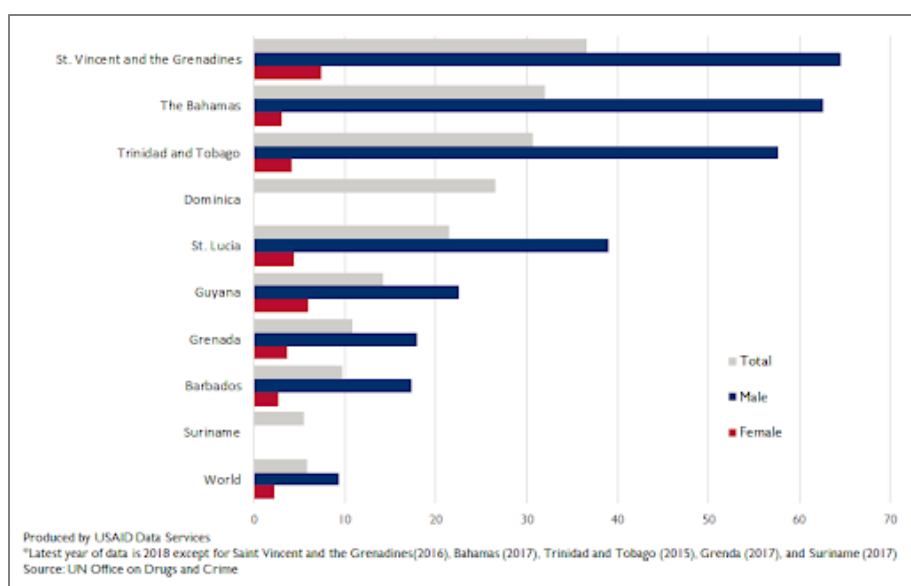
HIGH ENERGY COSTS

The high cost of energy remains an impediment to self-reliance in the ESC region (see Annex A). The ESC is more than 90 percent dependent on fossil fuels for its energy needs, rendering the region reliant on the most expensive imported energy supplies in the world. This has a significant negative impact on countries, requiring foreign exchange to purchase fuels, which in turn drives up consumer and export prices and contributes to a very high cost of living. As a result, ESC countries have embraced plans to transition to renewable energy. The region needs significant regulatory and legislative changes to achieve energy policy goals. Key challenges include lack of effective legislation to grow the independent power producers market; tariffs for renewables; and regulations and tariffs on power storage. To address these issues, USAID/ESC conducted an assessment that highlighted significant opportunities for the private sector to expedite the market transformation process. Private sector engagement will contribute to greater use of renewables, lower energy costs, and improve resilience to natural disasters.

CRIME AND VIOLENCE¹⁵

Youth, especially those from economically and socially marginalized communities, tend to be most vulnerable to becoming perpetrators and/or victims of crime and violence. While data on safety and security are not available for most ESC countries, the favorable safety and security results for Guyana (0.68)¹⁶ and Suriname (0.75)¹⁷ do not reflect the region's stark reality that is highlighted in the regional landscape

Figure 3: Homicide Rates (per 100,000) by sex in the Caribbean



analysis (see Annex A). Currently, six ESC countries (including The Bahamas) figure in the world's top 25 countries¹⁸ for homicide rates, according to the United Nations Office on Drugs and Crime.¹⁹ The Caribbean's homicide average of 16 per 100,000 is classified as having reached epidemic levels.²⁰ Young

¹⁵ In Figure 3, gender-disaggregated data was not available for Dominica and Suriname.

¹⁶ <https://selfreliance.usaid.gov/country/guyana>.

¹⁷ <https://selfreliance.usaid.gov/country/suriname>.

¹⁸ These include St. Vincent and the Grenadines, St. Kitts and Nevis, Trinidad and Tobago, The Bahamas, Saint Lucia, and Guyana. The World Bank. Intentional Homicides per 100,000.

¹⁹ "Victims of intentional homicide," United Nations Office on Drugs and Crime, 1990-2018, (n.d.)

²⁰ Ibid.

males, aged 15 to 24, are both the main victims and the main perpetrators of crime in the Caribbean, and violence is starting at increasingly younger ages.²¹

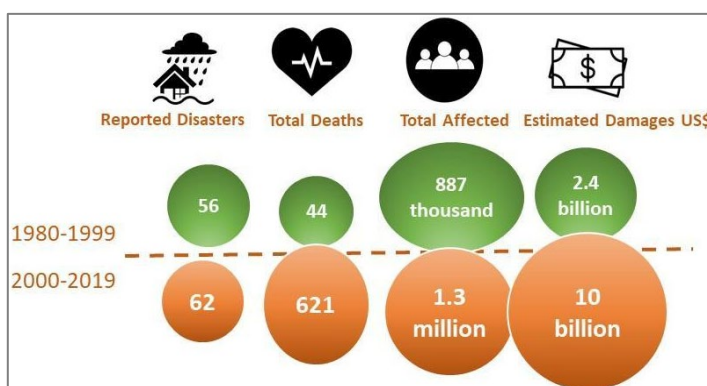
Youth face widening income gaps and unemployment rates of 11 to 27 percent. Saint Lucia has the highest level of youth unemployment in the Caribbean (44.2 percent);²² in Barbados, youth unemployment is three times higher than that of adults. There are also persistently high unemployment rates in Guyana and Grenada. Crime and violence are an expression of deep-rooted social and economic problems such as social inequality, unemployment, lack of opportunities, family dysfunction, substance abuse, and other societal factors. Further, exposure to violence at home, in the community, and in juvenile gangs is contributing to the underachievement of Caribbean youth at the secondary school level.

Foundational skills in literacy and numeracy, and soft skills are strong predictors of whether an individual will stay in school, obtain a degree, find and maintain a job—or become involved in a crime. While primary completion rates throughout the OECS have rested at 85-98 percent over the past five years, assessment scores indicate that students are often not gaining critical foundational skills in literacy. Six OECS countries in particular showed only 14 percent of second graders tested at or above grade level in literacy.²³ In addition, gender-based violence (GBV) is pervasive in the region, with both high rates of domestic violence as well as high rates of femicide in Barbados, Guyana, and Suriname.²⁴ LGBTQI+ individuals are at a higher risk of violence and face both social and institutional discrimination. Violence has a long-term effect on the health—and especially the mental health—of the victims. In addition to the human cost, there is also a significant direct economic cost to the governments and other institutions that provide medical care. This RDCS focuses on reducing crime and violence through improved government practices and an empowered civil society, with a particular emphasis on youth.

RESILIENCE TO SHOCKS (NATURAL AND HUMAN-MADE)

In recent years, storms have caused damage in excess of 200 percent of GDP. These shocks have had devastating impacts on the people and governments of the ESC, as captured in the regional landscape analysis (see Annex A). The ESC region is among the most vulnerable to global climate change, regularly and increasingly subjected to acute natural hazards such as hurricanes, strong storms, droughts,

Figure 4: Disaster Impacts in 11 ESC Countries: 1980-1999 vs. 2000-2019



Source: Information extracted from OFDA/CRED (BHA) International Disaster Database, January 2021

²¹ UN Caribbean Human Development Report (2016).

²² USAID/ESC Youth Assessment Situational Analysis, July 2020.

²³ Data collected from USAID Early Learners' Program that conducted early grade reading assessments from 2016-2018 in the six OECS countries of Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines.

²⁴ "GBV in the Caribbean," UN Women, (n.d.) https://caribbean.unwomen.org/en/caribbean-gender-portal/caribbean-gbv-law-portal/gbv-in-the-caribbean#_ftnref4.

and floods. The large percentage of people and infrastructure based in low-lying coastal areas are at constant risk, particularly given their dependence on natural resources for income. Precipitation patterns are expected to trend toward fewer rainy days and heavier, more destructive storm seasons. Changes in chronic hazards (e.g., sea-level rise, increasing temperature) can increase the intensity and/or frequency of acute hazards (e.g., storm surge heights, extreme temperatures).²⁵ Taken together, the scope of the impact of these disasters is overwhelming relative to the small size of the economies.



Damage from Hurricane Maria, Dominica, 2017.

Photo credit: USAID/BHA

Climate change and geophysical hazards present serious challenges for the region's development trajectory. Historically, the ESC's susceptibility to natural disasters included hurricanes, flooding, drought, landslides, and volcanic eruptions. Increased variability of climatic conditions is now causing more frequent and intense weather events. Changing and less clearly defined wet and dry seasons result in flooding or drought, increased ambient atmospheric and sea surface temperatures, rising sea levels, and coastal and coral reef erosion. These climatic events are leading to reduced incomes from tourism and agricultural outputs, which in turn threaten the long-term economic sustainability and the development capacity of

the region. Countries' economic growth and stability, food security, public health, freshwater availability, and infrastructure are all at risk. To strengthen community resilience, the Mission will continue to apply a climate lens when developing project activity designs and incorporate climate adaptation in implementation approaches.

In addition, while most ESC countries classify as upper middle- and high-income, they face development challenges tied to high debt levels and are vulnerable to external economic shocks. These economic concerns have led ESC governments to take out large, unsustainable loans, especially for traditionally difficult-to-finance infrastructure projects in energy, mining, roads, ports, and bridges. Other human-made shocks may include technological (cyberattacks) or political instability. A key element of building sustained resilience in the ESC region is developing an elasticity in systems, resources, and skills to enable quick recovery from any of these shocks, as opposed to the backsliding in development gains. The RDCS will promote ESC countries' capacities for economic growth and diversification through transparent public and private investment; access to public information and accountability to citizens; and strengthened fiscal systems.

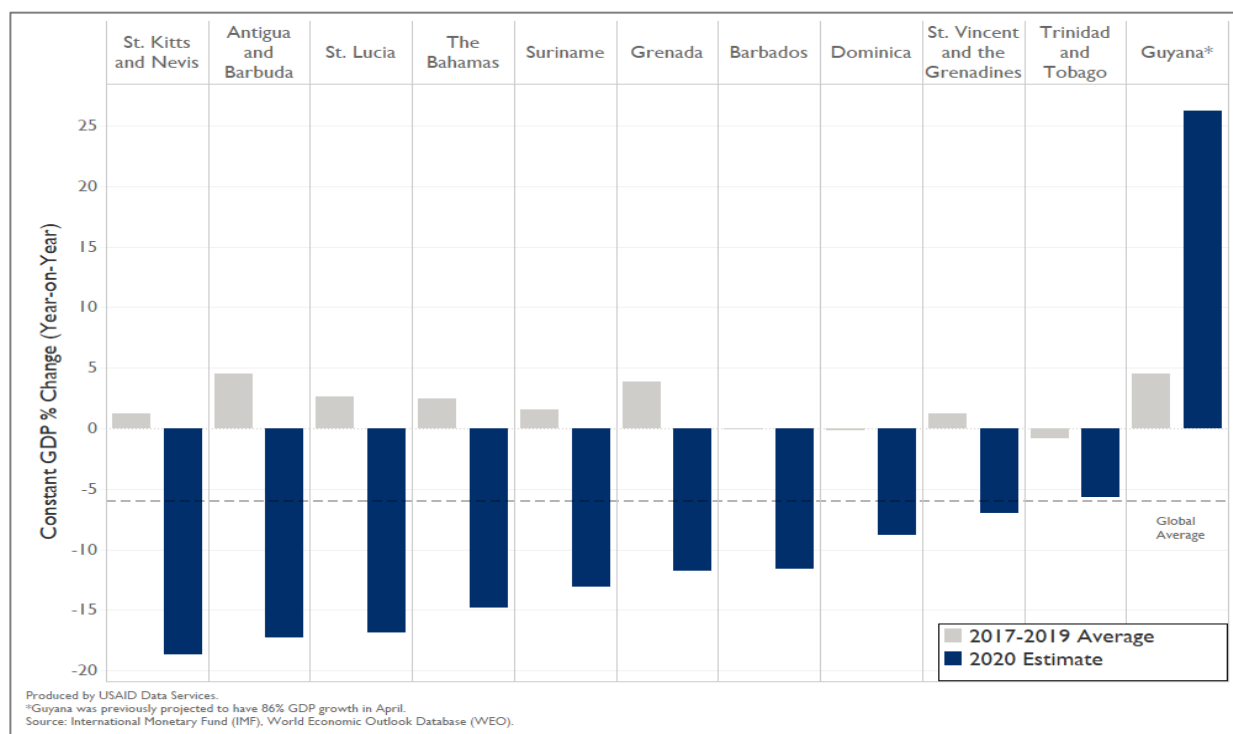
COVID-19 PANDEMIC IMPACT

As with the rest of the world, the ESC's resilience decreased as a result of the shocks of the COVID-19 pandemic, and the region's economies and social structure continue to feel the virus' devastating effects.

²⁵ FAA 118/119 Tropical Forests and Biodiversity Analysis, USAID, 2020.

Government revenue has been seriously reduced following a precipitous drop in tourism, while spending levels have increased for stimulus packages and other aspects of the social safety net. Both factors have

Figure 5: The Impact of COVID-19: The IMF Constant GDP Annual Estimates: 2017-2019 Average vs. 2020 Estimates



driven up deficits and contributed to a rise in average debt levels from 68 percent of GDP in 2019 to 79 percent in 2020.²⁶

The Caribbean is likely to face a lengthy and uneven recovery in the post-COVID period. Accelerating joblessness is not only deepening poverty, but also increasing crime. The pandemic’s effects on education are also widespread. Thousands of learners across the region missed instruction for several intersecting reasons, including school closures; limited or no distance education infrastructure; teachers’ inadequate access to technology and/or training; insufficient electricity or bandwidth; limited student access to distance learning platforms and mobile technology hardware; and parent/caretaker inability to provide alternative methods to continue their education. The region has also faced other widespread health events recently with the outbreak of Zika in 2016 and Chikungunya in 2014. USAID/ESC is factoring the impacts of COVID-19, and other potential pandemics, into the Mission’s strategy, and recognizes the need for program flexibility to better respond to emerging needs.

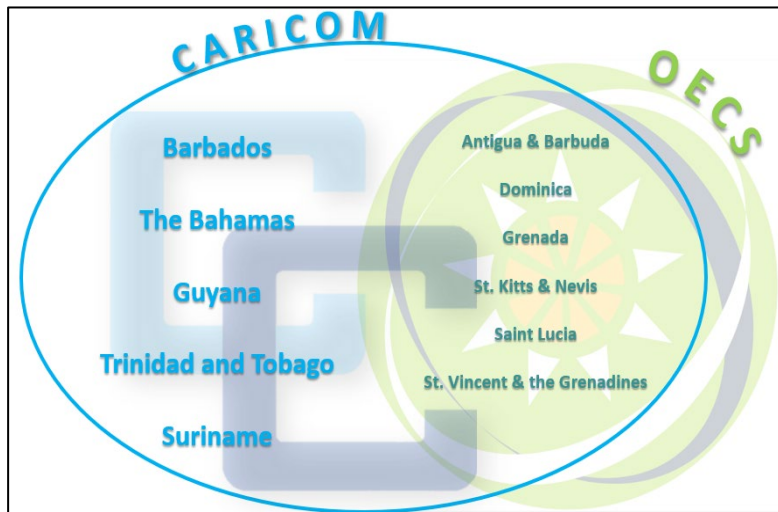
PARTNER STAKEHOLDER PRIORITIES

While partner governments are key stakeholders in their countries’ development, regional organizations continue to anchor USAID’s efforts across RDOs. CARICOM, OECS, and the Caribbean Development Bank (CDB)—all Eastern Southern Caribbean regional organizations—are important partners in the planning and implementation of strategic priorities. CARICOM prioritizes regional integration through

²⁶ USAID OECS Regional Economic Review (2020)

its strategic pillars: economic integration, foreign policy coordination, human and social development, and security.²⁷ OECS focuses on generating economic growth, promoting human and social wellbeing, and sustainable use of natural endowments. CDB contributes to economic growth by promoting economic cooperation in the region.²⁸ USAID/ESC will continue engaging these regional organizations to gain strategic buy-in of the development agenda and effectively leverage resources to enable sustainable growth.

Figure 6: Country Members of CARICOM and the OECS



International cooperation in the region is comprised of bilateral donors,²⁹ international financial institutions,³⁰ and multilateral donors from the European Union and UN agencies.³¹ Several of these entities do not significantly overlap with USAID’s area of assistance. For example, the EU and the Inter-American Development Bank (IADB) work principally in agriculture, transportation, and infrastructure while the World Bank focuses primarily on enhancing country debt sustainability. Mutual interests with some regional organizations and bilateral donors include Norway, which provided the framework for support in the areas of climate adaptation, clean and healthy oceans, and the blue economy, and Japan, which contributes to the region’s disaster management and relief efforts. Both of these efforts align with USAID’s resilience programmatic priority.

Donors often work through CARICOM, CDB, OECS, and other regional entities. Even so, coordination in the region is multi-layered as donors cover multiple countries and different sets of countries. Guyana, Suriname, and Trinidad and Tobago have country-specific working groups to coordinate donor efforts. Donor coordination for the six OECS countries and Barbados is covered by the Eastern Caribbean Development Partners Group, which is chaired by the United Nations and attended by USAID/ESC. The Mission also actively co-chairs a number of donor working groups in the region to support clear communications and information sharing, and ensure that development partners are effectively leveraging resources and relationships.

USAID/ESC closely coordinates with the U.S. Embassy Bridgetown (Barbados), U.S. Embassy Port of Spain (Trinidad and Tobago), U.S. Embassy Georgetown (Guyana), and U.S. Embassy Paramaribo (Suriname) to ensure programmatic alignment with U.S. policy objectives. For disaster response and

²⁷ “Who We Are,” CARICOM, (n.d.), <https://caricom.org/our-community/who-we-are/>.

²⁸ “Bank History,” Caribbean Development Bank, accessed December 2020, <https://www.caribank.org/bank-history>.

²⁹ Canada, France (AFD), Japan, New Zealand, United Kingdom (DFID), and the United States (USAID).

³⁰ Caribbean Development Bank, European Investment Bank, Inter-American Development Bank, and the World Bank.

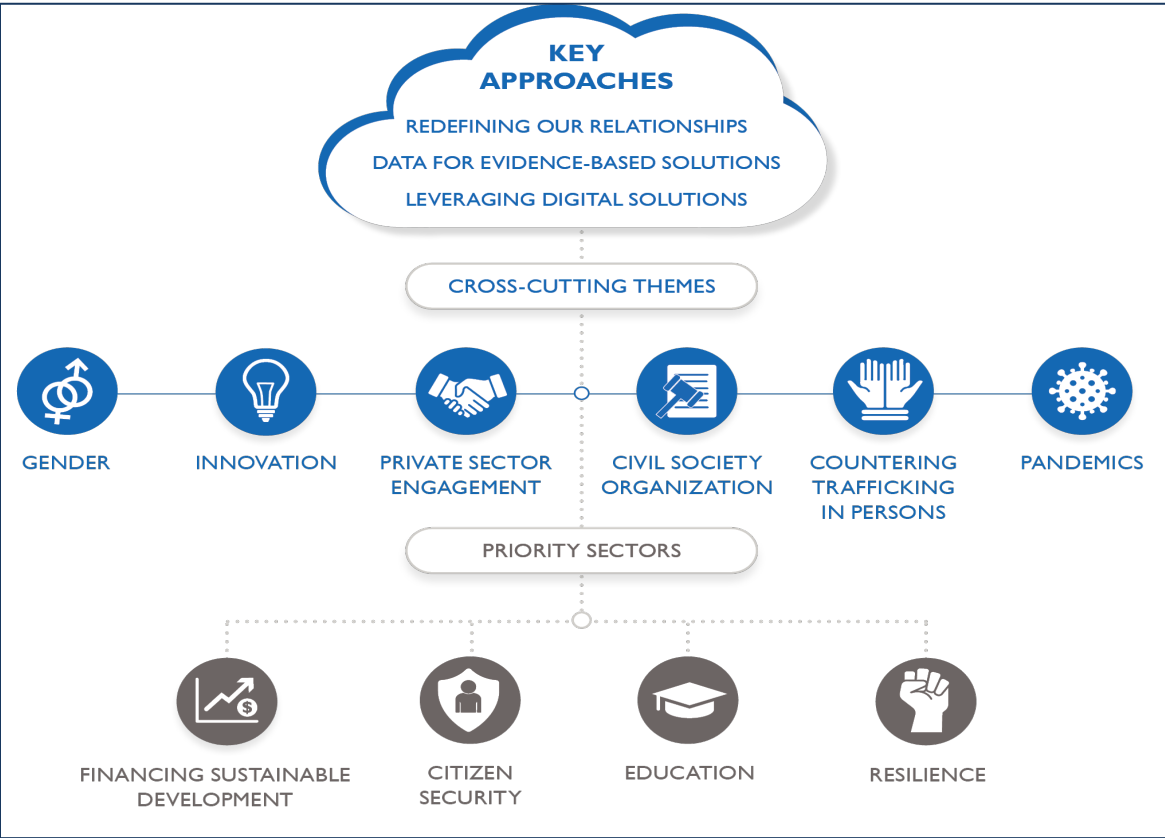
³¹ FAO, ILO, UNICEF, UNDP, UNFPA, UN WOMEN, WHO/PAHO, and WFP

resilience activities, USAID/ESC coordinates with U.S. Embassy Nassau (The Bahamas) and USAID’s Bureau for Humanitarian Affairs (BHA).

3. STRATEGIC APPROACH

USAID/ESC’s strategy is built on a framework where four priority sectors—financing sustainable development, citizen security, education, and resilience—advance RDOs in transparency and accountability and community resilience to achieve the goal of safety, prosperity, and transformative development in the region. This framework reflects the dynamic trajectory of the U.S. Strategy for Engagement in the Caribbean and builds on prior programmatic gains addressing resilience and youth involvement in crimes. Cross-cutting themes, integrated throughout the framework, focus on gender, innovation, private sector engagement, inclusion of civil society organizations (CSOs), countering trafficking in persons, and impact of pandemics. The strategy also emphasizes key approaches to successfully implement these programmatic priorities and cross-cutting themes.

Figure 7: Visualization of Strategic Approach



Undertaking a regional strategy acknowledges the common challenges faced by countries across the region, as well as the opportunities to leverage regionally available resources. For example, USAID’s early grade reading assessment identified common literacy issues region-wide. After USAID raised awareness of these issues, country governments placed an emphasis on reading and numeracy, and supported USAID/ESC’s education activities in particular. Grenada committed resources to scale the USAID ELP literacy development model. In addition, the participating OECS Member States shared their plans for their Ministries of Education to sustain the Early Learning Program (ELP).

Most Mission activities are transboundary and work in partnership with international and regional entities with similar regional mandates, such as the IADB, UNDP, CARICOM, OECS, the Caribbean Disaster Emergency Management Agency, CDB, Caribbean Community Climate Change Center, Caribbean Institute for Meteorology and Hydrology, and the Regional Security System. This regional and transboundary approach to project implementation allows USAID/ESC to align strategically with regional organizations, many of which have substantial local government participation—increasing the sustainability of our investments, and local commitment to activities and reforms.

RESILIENCE AS A GUIDING PRINCIPLE

USAID/ESC uses an expansive definition of “resilience” to refer to the capacity of people, households, communities, countries, and systems to mitigate, adapt to, and quickly overcome or recover from challenges and shocks in a manner that reduces chronic vulnerability and facilitates inclusive growth. Preventing the backslide of development gains and promoting long-term, sustainable progress in the region require developing elasticity within government systems, increasing resources for citizen-responsive governance, and improving skills that enable quick recovery.

PROGRAMMATIC PRIORITIES

USAID/ESC will prioritize programming across its four sectors, which consider regional contextual challenges, USG and Caribbean development priorities, and USAID’s comparative advantage. Rather than using sector-specific Regional Development Objectives (RDOs), the Mission selected an integrated approach to program implementation, where its priority areas are divided across two RDOs by level of intervention. The first RDO will focus on interventions at a regional, national, or system level, while the second will focus on local-level interventions. The Mission made this decision after examining lessons learned from its previous strategy, holding extensive consultations with regional entities, and reviewing relevant studies and assessments. USAID/ESC anticipates that this new approach will improve its ability to successfully address regional challenges and further local development.



School children in the Community, Family Youth Resilience Program (CFYR), Saint Lucia.

Photo credit: CFYR Team, Saint Lucia

FINANCING SUSTAINABLE DEVELOPMENT

Strong government fiscal management and revenue generation and an ability to build and sustain a business enabling environment are necessary components of sustainable development. USAID/ESC will focus on technical assistance activities that improve domestic resource mobilization systems and processes to help countries overcome systemic constraints to mobilize and manage financial resources. Leveraging the United States’ strong bilateral partnerships with ESC governments, the Mission will support improvements to the legal and regulatory environment that build investments in the Caribbean and promote transparent and accountable procurement processes and public-private partnership

transactions. Mission activities will also focus on overcoming major constraints to the region's business enabling environment, i.e., limited access to financial resources, a cumbersome regulatory framework, high transaction costs and risks, and the small scale of potential projects.³² Following the recent impacts of COVID-19 on the region's economy, the Mission recognizes the importance of bolstering its efforts to support strong fiscal systems. Institutionalizing private sector engagement within these various process improvement efforts is the key to finding innovative and lasting solutions that are conducive to private sector growth and sustained economic performance. Overall, these targeted solutions will contribute to the region's ability to transform mobilized resources and investments into sustainable development outcomes.

CITIZEN SECURITY

Citizen security, with a particular focus on youth crime and violence, is a shared USG and Caribbean priority closely tied to CBSI. To prevent youth crime and violence across the region, the Mission will use new evidence-based approaches to identify at-risk youth and provide localized solutions that reduce their chances of engaging in crime and violence. Efforts will also focus on improving government systems that reinforce citizen security, such as social services to vulnerable populations, data systems and collection for the security sectors, child justice systems, and education.

EDUCATION

The Mission will continue to support education system strengthening and build on its work with early learners in the Eastern Caribbean countries in order to support long-term growth and human capital development in the region. USAID's previous investments in education have yielded positive results in student performance, attrition rates, and overall literacy. Nonetheless, there is an emerging need to better connect educational outcomes in the region to the needs of the evolving workforce demands and markets. In this way, education also links closely with the citizen security element of the strategy. Research shows that violence in and out of school is pervasive, and that Caribbean youth are underachieving educationally at the secondary school level. This in turn is associated with poverty, juvenile crime, and violence.³³

RESILIENCE BUILDING

Strengthening the ability to recover from adverse shocks and adapt to climate variability and change is critical to promoting long-term, sustainable progress toward self-reliance. Given ESC countries' commitment to collaborate on shared approaches and outcomes to reduce risk, USAID has an opportunity to focus on increasing information sharing, developing standard practices and policies, strengthening operational systems, and increasing community participation and resilience. Efforts will also build on the strong partnerships with regional higher education institutions and government partners, such as the Caribbean Disaster Emergency Management Agency (CDEMA), to ensure appropriate regional training and awareness regarding climate change. Resilience programming will support key sectors, such as clean energy, agriculture, and water, that are critical to supporting economic stability and growth, as well as contingency planning with regard to at-risk youth, who are

³² Findings are derived from a 2020 USAID funded regional private sector landscape assessment.

³³ "Caribbean Human Development Report," United Nations Development Programme, 2016, <http://hdr.undp.org/en/content/regional-human-development-report-2016-caribbean>.

most likely affected by the knock-on effects of climate change. Details on the Mission’s mitigation measures for climate-related risks under its RDCS can be found in Annex B. The RDCS also supports and will complement the objectives of the current regional Caribbean Energy Initiative.

CROSS-CUTTING THEMES

USAID/ESC will integrate six cross-cutting themes throughout its priority programming to address regional development concerns.

GENDER

Recognizing previous inconsistencies in its approach to address gender inequalities across all sectors and activities, the Mission will strengthen efforts to address gender inequality as well as challenges faced by disadvantaged and vulnerable populations. USAID’s commitment to a gender-centered response is built on the idea that no society can fully realize self-reliance and develop sustainably without increasing and transforming the distribution of opportunities, resources, and options for both women and men to shape their own lives. For instance, the region generally has fewer women in higher levels of leadership within the private and public sectors, which creates gender bias in the economy and further perpetuates sex stereotyping and occupational segregation in the labor force. Furthermore, since more women work in lower wage employment and the informal economy, they tend to have high rates of unemployment. This often has deeper impacts on families than male unemployment. Attention to marginalized or vulnerable groups is essential to ensuring that development gains are broadly shared and that policy positions in partner countries better support inclusive approaches. Both RDOs address gender inequality by incorporating this lens into the program designs, fostering community engagement, and undertaking multidisciplinary approaches in co-creation processes. Where applicable, activities will improve the knowledge of young girls and LGBTQI+ persons about equal rights. Activities will empower young girls with techniques and skills to build self-confidence, promote health and nutrition, ingrain thought leadership, and strengthen critical analysis and thinking. Increased opportunities for women in leadership and decision-making positions in both the private and public sectors will have a positive impact on ESC economies. Gender activities in education will also focus on at-risk males whose performance and outcomes are much lower than that of young women. In this intersection of citizen security and education, a gender lens will provide specialized attention to keep at-risk boys in school by engaging teachers and parents. A focus on at-risk males will reduce attraction to crime by keeping young men away from negative influences and providing them with positive economic and social opportunities.

CIVIL SOCIETY ORGANIZATION (CSO) INCLUSION

Complementing the gender inclusion approach, USAID is committed to engaging with and including CSOs in activities. With CSOs’ increased agency, governments will become more accountable and will be better equipped to respond to the needs of communities.

INNOVATION

The Eastern and Southern Caribbean region continues to advance its digital transformation in financial technology, education, energy, health, small and medium enterprise, and transportation solutions, among other areas. Consistent with USAID’s Digital Strategy, the Mission will seek opportunities to use digital technology to address development challenges and advance science and technology. Specific

opportunities include increasing cybersecurity in the energy sector, digitizing data systems for citizen security, strengthening regional data sharing and use practices, building capacity for more advanced data analytics for resilience, and exploring new tools to support programmatic outcomes, such as literacy and numeracy. USAID/ESC will also identify and implement innovative approaches to regional challenges using more flexible and collaborative approaches such as locally led co-creation, allowing interested stakeholders—such as faith-based organizations, the private sector, partners in government, and other CSOs—to work with USAID in a shared decision-making framework to achieve a mutually agreed-to outcome.³⁴

PRIVATE SECTOR ENGAGEMENT

While strong and transparent governance is important to achieving development objectives, the private sector is also vital for the region to achieve sustained economic growth. USAID/ESC will prioritize activities where the private sector is a partner that provides innovation, knowledge, and financing to help address development challenges. For example, in Guyana, private sector involvement played a critical role in addressing youth unemployment and providing high-risk youth with a second chance to succeed. In partnership with USAID, the private sector helped develop curricula, advised on program strategies, and participated in workshops to prepare youth for the workforce. As a result, about 98 percent of employers reported satisfaction with their youth employees who received training through USAID’s program. This outcome enabled youth to integrate into the economy, improved citizen security, and saved local government resources. USAID/ESC seeks to unlock the potential of private capital to drive inclusive growth in countries around the region. Increasingly, private investors and businesses are looking to emerging markets for better returns and new market opportunities. ESC countries face unique challenges given their small size, homogeneous economies, and vulnerable settings. Strengthening the economic base will enable countries to make decisions that best serve their long-term interests. A more substantial economic base will lead to increased locally generated revenues, enhancing the ability to reduce debt levels and reliance on ODA.

Two private sector landscape assessments show that although the small size and diverse geographic locations of ESC countries impose some limitations, there are partnership opportunities in the four priority sectors of financing sustainable development, citizen security, education, and resilience (specifically in agriculture, energy, and water).³⁵ The RDSCS will explore five potential avenues for cooperation: philanthropy, corporate social responsibility, partnerships, joint ventures, and direct investments. Partnering with the private sector will improve the success rate of planned interventions, such as active participation in skills development in order to narrow the gap between needed skills and availability. In addition, USAID will seek out opportunities to cooperate with other U.S. agencies, including the U.S. Export-Import Bank, the Foreign Commercial Service, the U.S. International Development Finance Corporation, the United States Trade and Development Agency, and the Economic Sections at the various Embassies. USAID/ESC will leverage its resources—grants, technical

³⁴ EPPR Co-Creation Field Guide, A&A Lab Co-Creation Throughout the Procurement Cycle for the Field (Version 2.0), USAID.

³⁵ The INVEST mechanism is implemented by DAI. INVEST acts as a “hub,” connecting buy-in partners to a diverse pool of specialized partner organizations based on the SOW. The purpose of INVEST is to build up the capacity of new and underutilized partners and streamline the subcontracting process. For additional information, please see the [USAID ESC INVEST Report](#).

assistance, guarantees, and convening power—to help raise awareness of investment and business opportunities. Further, USAID/ESC hopes to lower transaction costs, and mitigate the risks of investments to generate positive social, economic, and environmental impact.

COUNTERING TRAFFICKING IN PERSONS (C-TIP)

Trafficking in Persons (TIP) is a serious concern throughout the region. Currently, five ESC countries are placed in Tier 2 in the 2020 TIP Report, with another country on the Tier 2 Watchlist. In collaboration with other U.S. Government agencies, USAID's efforts in C-TIP focus on the prevention and protection dimensions. To address escalating concerns, the Mission will engage private sector entities on TIP issues so they may identify victims and focus on reducing exploitation of migrant workers, especially Venezuelan migrants. Further, USAID will work to support TIP training of judicial officers, prosecutors, and the police force as well as provide resources to standardize approaches, strengthen police TIP data collection and reporting, and support stakeholder and public awareness about TIP through targeted communications activities. Without data, organizations cannot develop effective TIP programs that are targeted and cost-efficient. The Mission's planned work with countries to improve the collection and use of data will consequently improve targeting of potential or actual TIP victims. In addition to the specific USAID/ESC planned C-TIP activities, planned activities under the RDOs will also support victims of TIP. For example, victims of trafficking are often at-risk youth who would qualify to participate in Mission youth-focused activities. Similarly, many victims of GBV are also trafficking victims. Venezuelan migrants fleeing egregious human rights violations at home are also often at risk of becoming victims of human trafficking and may also benefit from USAID-funded activities. TIP victims, migrants, and refugees are not easily identifiable, as they often hide due to stigma, discrimination, shame, and fear. USAID/ESC will provide government officials, CSOs, and other stakeholders with technical support to develop interventions and strategies, thereby both addressing TIP and strengthening governmental and non-governmental institutional response systems.

IMPACT OF COVID-19 AND OTHER PANDEMICS

USAID/ESC is factoring the impacts of COVID-19, and other potential pandemics, into the Mission's strategy and recognizes the need for program flexibility to better respond to emerging needs. Some of those needs include strengthened distance learning technology and curricula for distance education, improved digital platforms for sustained business activities, and modernized government systems and platforms to improve accountability to citizens.

KEY APPROACHES

Underlying USAID/ESC's efforts to address programmatic priorities are three key approaches: redefining our relationship with partner governments; generating and utilizing data to drive evidence-based solutions; and leveraging digital solutions.

REDEFINING OUR RELATIONSHIP WITH PARTNER GOVERNMENTS

USAID/ESC is redefining its relationship with partner governments by encouraging government commitment in three ways. The first is to engage with national governments to ensure alignment of development objectives for each country. For ESC countries where there is a whole-of-U.S.-Government approach to attracting private sector investment, such as in Guyana and Suriname, the

bilateral working group platform will enable localized collaboration. For other countries, USAID/ESC will work with U.S. Embassies in the region to establish similar bilateral working groups. Second, USAID/ESC will engage partner governments as key stakeholders in developing programs or activities. This co-creation with partner governments will include drafting a development plan with mutual goals and costs aimed at sharing greater responsibility for implementing development work amongst partner governments. Finally, USAID/ESC will focus on building governments' capacity to be accountable to its citizens and transparently implement locally led programs and investment policies.

GENERATING AND UTILIZING DATA TO DRIVE EVIDENCE-BASED SOLUTIONS

In recognition of the consistent challenges with data availability, this strategy emphasizes the importance of strengthening data ecosystems and improving the accessibility and quality of data in the region—particularly in the areas of resilience, citizen security, and education. Enhancing data systems will include efforts to digitize and improve data reliability from governing institutions; work toward shared standards for collection; share key indicators to improve data usability across regions; and focus on inclusion and improving the representativeness of available data across genders, geographies, and sectors. For instance, a current activity is enhancing data systems and analytic approaches in collaboration with the Caribbean Institute for Meteorology and Hydrology (CIMH) to improve climate-related data management and use, including predictive modeling and artificial intelligence, where appropriate. Additionally, investing in robust data systems sets a foundation for more data-driven and innovative approaches within USAID programming and for other actors. For example, with reliable data on crime and violence, programs can effectively target the communities with the most significant problems and the individuals at the highest risk for involvement in a crime.³⁶

LEVERAGING DIGITAL SOLUTIONS

Programming under this strategy will prioritize opportunities to try new approaches, especially those taking advantage of the increasing applicability of digital technology. USAID/ESC will explore innovative approaches to integrate digital technology, and improve and accelerate progress toward development results. This effort includes digital strategies to increase government transparency, enhance climate resilience, strengthen effectiveness and efficiency of citizen security, and engage youth in education and workforce readiness. Further, USAID/ESC will aim to build upon positive changes in the region that can drive digital innovation. For instance, USAID/ESC will seek to complement USAID's Caribbean Energy Initiative in the area of digital connectivity and cybersecurity partnership. Notable USAID/ESC initiatives already underway include support to CARISECURE to digitize crime information systems through use of open-source coding, which has improved the efficiency of targeting and processing crime and allows for less costly program expansion. Another digital solution activity underway is exploring machine learning-based applications to complement guided training sessions and deliver tailored literacy and numeracy training for youth.

³⁶ "High crime rates in the Caribbean require new evidence-based policy approaches - IDB study," Inter-American Development Bank, May 2017, <https://www.iadb.org/en/news/news-releases/2017-05-16/high-crime-rates-in-caribbean-require-new-strategies%2C11803.html>.

STRATEGIC ALIGNMENT

The USAID/ESC RDCS aligns with Goals 2 and 3 of the FY 2018-2022 State/USAID Joint Strategic Plan (i.e., “Renew America’s Competitive Advantage for Sustained Economic Growth and Job Creation” and “Promote American Leadership through Balanced Engagement”). The RDCS also aligns with the March 2021 Interim National Security Strategic Guidance, the 2019 WHA/LAC Joint Regional Strategy, and the Integrated Country Strategy (ICS) of the U.S. Embassies in Suriname, Guyana, Barbados, and Trinidad and Tobago. In addition, the RDCS aligns with the State Department’s 2020 U.S.-Caribbean Strategy, which identifies security, diplomacy, prosperity, energy, education, and health as priority areas. Further, the regional strategy supports both objectives of the Agency’s new Digital Strategy by focusing on strengthening country digital ecosystems and responsibly integrating digital technology within USAID/ESC programming. Finally, this RDCS aligns with Executive Order 13677 requiring development agencies to consider climate-resilient solutions in programming.

4. RESULTS FRAMEWORK

GOAL STATEMENT AND NARRATIVE

The goal of the 2020-2025 regional strategy is to advance toward a safe, prosperous, and resilient Eastern Caribbean region that supports its vulnerable populations, withstands external shocks, and promotes accountable institutions, economic development, and private sector-led growth. USAID will achieve this goal by carrying out an integrated approach that emphasizes governments’ accountability and transparency (RDO 1) and strengthens communities’ resilience to unexpected shocks (RDO 2). For this RDCS, an integrated strategic approach supports projects that contribute to both RDOs. USAID/ESC’s use of an integrated approach is undergirded by the strategy’s guiding principle of resilience. A positive and reinforcing cycle of government accountability and community engagement is needed for a region, country, or individual to overcome or recover from challenges and shocks, be they economic, natural, technological, or political. The social contract, an implicit agreement between governments and communities, is implicit in the region’s path toward sustainable development. In this context, activities improving government capacity to provide social services for vulnerable populations will also improve citizens’ access to development opportunities. This integrated approach will contribute to an enabling environment and inclusive growth that support transformative development in the ESC. Gains toward the RDCS goal will require USAID to build on its strong partnerships with key stakeholders including the private sector, government partners and regional organizations, and citizens, who remain the catalysts for economic growth, improved systems and services, and shock-resilient communities.

RDO 1: GOVERNMENT ACCOUNTABILITY AND TRANSPARENCY IMPROVED

Development Hypothesis: An increase in the region’s capacity to finance development and an increase in participation of its citizens will improve transparency and accountability to its citizens, and also will increase citizens’ protection. The region will also be able to withstand external shocks, and further promote accountable institutions, economic development, and private sector-led growth.

Under RDO 1, USAID seeks to strengthen national institutions and systems, including education systems and tools; support citizen interests; and improve citizen oversight. Work in this area will equip

governments of the region with enhanced national financial management systems to contribute to more effective administration and an enabling environment more conducive to attracting investments. Reducing systemic barriers to economic growth will contribute to regional growth, and will particularly affect male youths in search of economic opportunities. Moreover, increased domestic resources mobilization (DRM) and accountability will promote transformative development, enable ESC countries to direct their resources toward citizen needs, and promote equitable social and economic development. Efforts under this RDO also build on previous USAID strategies to strengthen systems to promote social and economic resilience. Notably, USAID will amplify its focus on juvenile justice activities and strengthen national education systems to discourage youth's gravitation toward crime and violence. Finally, USAID will focus on activities to engender resilience to shocks. USAID will help to build disaster management and response systems that will serve as catalysts to the development and adoption of key resilience sector policies and approaches.

FINANCING SUSTAINABLE DEVELOPMENT

Financing sustainable development under RDO I focuses on improving the efficiency of public spending and supporting a regulatory environment conducive to increased investment and trade. There is great potential for improving growth opportunities through the policy environment. While DRM needs and operational priorities differ in each country, partner governments have expressed interest in reform to address DRM and expenditure management weaknesses. Needs and government priorities range from information technology and strengthening of taxpayer offices and staffing shortages in tax administration, to project selection for increased capital spending and basic budget planning and internal control mechanisms. Moreover, COVID-19 has significantly affected all ESC countries because of their dependence on finance and tourism—particularly from its largest markets of the United States, the United Kingdom, and Canada, where the pandemic severely affected economies and health systems. The economic consequences of COVID-19 reinforce the importance of addressing fiscal inefficiencies.

Along with sound and transparent public financial management, a country's ability to finance its own development is also buttressed by the private sector, which plays a large role as one of the main engines of sustainable economic growth. Business growth, combined with well-structured and implemented tax regimes, increases public revenue. Firms help fund retirements for the population, relieving pressure on government safety nets like unemployment and national pensions. Public-private partnerships can help build a country's infrastructure and services through focused investment in sectors where government resources are limited. By providing jobs, the private sector further contributes to poverty alleviation and inequality reduction. This RDO will also work to improve the business enabling environment by strengthening the underlying legal and regulatory frameworks, building institutional capacity to properly implement regulations, and conducting public-private dialogue to define reform priorities and initiatives. Public financial management and business enabling environment activities under this RDO will contribute to improved government fiscal positions, support sustained economic growth, and strengthen the country's resilience to economic shocks.

CITIZEN SECURITY

Efforts under RDO I will focus on enhancing regional security initiatives such as the Caribbean Basin Security Initiative, improving governance accountability in social service provision to vulnerable communities, and strengthening education to address the region's struggles with high rates of interpersonal crime and violence, among the highest in the world. USAID efforts under this RDO will

also prioritize gender-based violence given the Caribbean’s high levels of domestic, sexual, and physical violence against women and young girls.³⁷ Further, a renewed focus on private sector engagement and education will counter economic and other social factors that also contribute to high levels of violence in the region.

EDUCATION

Under RDO I, education activities will target the areas of decentralized governance and improved delivery of services to enhance the protection of citizens. To achieve this, USAID/ESC will improve institutional performance and services in the education, justice, and other social sectors. Caribbean youth are underachieving educationally at the secondary school level, and this is associated with poverty, juvenile crime, and violence (influenced by exposure to violence at home, in the community, and in juvenile gangs). Consequently, over the past 20 years, ESC education systems have been increasingly prioritized at the national and regional levels. Education is key to positively affecting unemployment, youth crime and violence, and economic growth. Prioritization of investments in education is evident in all 11 countries within regional and national policies and plans. This includes recent iterations of the Organization of Eastern Caribbean States Education Sector Strategy, which is led by the OECS Education Development Management Unit and developed in close collaboration with Ministries of Education throughout the ESC.

RESILIENCE BUILDING

This program builds on resilience work currently underway in the region, with activities such as building response mechanisms at the community, national, and regional levels; and updating policies, regulations, and related processes to strengthen frameworks of specific sectors vulnerable to shocks. New activities align with RDO I in that they will strengthen government planning and operational systems, and increase the ability of target communities to absorb and respond to the changes.

DONOR COORDINATION

USAID/ESC recognizes numerous opportunities to collaborate and partner with other donors under this RDO. Donor coordination opportunities include areas in economic development to strengthen financial systems and promote private sector investment with donors such as the EU, Canada, and the IMF. For the resilience sector and adaptation capacity in the Caribbean, USAID/ESC will seek to work with UN agencies and the Caribbean Development Bank. For education, utilizing a whole-of-government approach, USAID will seek synergies with the Department of State’s Public Affairs divisions, SOUTHCOM’s Civ-Mil office, USAID’s liaison for Historically Black Colleges and Universities, and similar groups to explore peer-to-peer and school-to-school exchanges.

³⁷ Globally, one in three women will experience physical or sexual violence in their lifetime.

REGIONAL RISKS AND ASSUMPTIONS

TABLE 1: KEY ASSUMPTIONS AND RISKS FOR RDO I

ASSUMPTIONS	RISKS
<ul style="list-style-type: none"> • The private sector has confidence in the prevailing political climate. • Human resources are available regionally. • Governments effectively manage competing demands on public revenues without raising debt levels. 	<ul style="list-style-type: none"> • There are significant changes to relevant U.S. Government policy. • Public debt will continue to rise, overwhelming the ESC's ability to meet domestic financial commitments, and causing program disruptions. • External shocks, unforeseen needs, and natural disasters divert attention, resources, and priorities elsewhere.

IR 1.1: CAPACITY TO FINANCE DEVELOPMENT INCREASED

IR 1.1 promotes transparent public financing and private investment to improve partner governments' public financial management, allowing for more transparent and inclusive allocation of resources. Similarly, USAID/ESC will help countries improve their regulatory environment to attract more investment and to promote private sector growth, including climate-friendly business activity and green industries. Efforts should lead to more diversification of the economy and jobs, and subsequently increased public revenue and spending. Clear, predictable rules will also improve U.S. businesses' ability to compete in these markets. Strengthening the economic base will enable countries to make better decisions that affect their long-term interests in democracy, transparency, and sovereignty. More specifically, USAID will provide technical assistance at the national and municipal government levels on public infrastructure projects. Technical assistance could be provided throughout the entire lifecycle of a project, including researching upcoming public tenders to assess potential areas of opportunity, the procurement and public tendering process (to ensure fair practices that meet internationally recognized standards), project implementation (to ensure project is following the terms of the agreement), and closeout (after-action reviews and providing information to the public in accordance with local laws).

Private Sector Engagement: Efforts under the IR 1.1 planned activities will improve the business enabling environment and catalyze private sector-led growth. More specifically, USAID/ESC will support transactional advisory service technical assistance for government partners to effectively respond to businesses seeking to engage in public-private partnerships and other private sector opportunities in the region.

Innovation: The strategy will support efficiencies through greater use of technology and innovation in regulation and e-commerce, such as exploring digital channels for citizen feedback, access to information, and inclusive digital finance. These activities will contribute to the countries' development through entrepreneurship, employment, investment, and social programs to support youth and other vulnerable populations.

Gender: Assessing disparities among vulnerable groups (youth, women, indigenous etc.) in citizen engagement and advocacy as well as the business regulatory environment will be critical to ensuring that the project drives inclusive growth.

CSO Inclusion: Citizen engagement through CSOs will be an important facet to ensuring that governments are accountable to their citizens and that fiscal planning addresses local needs.

C-TIP: Activities will work with the private sector to reduce the exploitation of vulnerable groups including TIP victims. TIP country assessments will provide key data to fill gaps and quantify the magnitude of the issue.

Redefining our Partnerships: USAID/ESC views strong partnerships as critical to the success of this strategy and therefore will ensure these are strengthened both regionally and nationally. Government partners include the CARICOM Secretariat and the OECS Commission where collaborative approaches in planning and designing of programs is paramount. Programming will also work with ministries such as Finance and Economic Planning along with the private sector to build development capacity and strengthen the enabling environment.

IR 1.2: CITIZEN PROTECTION ENHANCED

Efforts will target the decentralization and delivery of services to enhance the protection of all citizens. Specifically, USAID/ESC will improve government capacity to be responsive to citizens through the use of improved data systems (including climate data) and analysis in addition to technical assistance. Several activities will focus on underserved or vulnerable populations, especially youth, to prevent crime, violence, social marginalization, and other social factors or risks, and thereby promote a more stable society.

Education activities, targeted at the primary and secondary levels, will emphasize foundational reading and numeracy skill development, digital literacy, employability skills, and higher education research, with positive youth development principles integrated throughout the portfolio. Activities will also engage and/or affect the pre-primary, vocational training, and higher education levels. Data systems would be strengthened to support country-specific education strategy implementation and programmatic decision-making. Programming is tailored to vulnerable learners in order to increase their education outcomes. USAID/ESC will continue work with Ministries of Education to strengthen education systems by building on foundational skills, as well as providing experientially based education and workforce and entrepreneurship development opportunities. To address the challenge of continuity of learning in the COVID-19 response era, USAID/ESC will also support digital literacy for distance learning and maintain the focus on strengthening data systems to support evidence-based decision-making.

IR 1.2 activities will expand on the work done over the past four years in crime and security by rolling out an integrated crime records management information system and providing change management support to agencies working in the security arena. Efforts will also include strengthening crime analysis units and building national capacity for the collection and use of qualitative information. These activities will support effective, data-driven decision making by leaders to reduce crime and violence. In addition, USAID/ESC will continue to build youth resilience by improving juvenile justice systems' capacity to successfully rehabilitate and reintegrate children and youth in contact with the justice system and to reduce the incidence of gender-based violence. Activities will focus on protecting underserved or vulnerable populations (or communities) from crime, violence, social marginalization, and other social factors or risks. Future work will build on ongoing TIP efforts. For example, the Mission supported efforts in Barbados to develop an anti-trafficking manual and to train police officers on identifying,

referring, and protecting potential trafficking victims. The program will also develop communications tools to sensitize the public on TIP. All products will be made available for use by other ESC countries.

Private Sector Engagement: The private sector will play a significant role in mentoring and creating opportunities for youth as a part of their rehabilitation. The private sector will be a core partner for the design, implementation, and monitoring of activities to improve opportunities and support improved resilience of youth, families, and communities.

Innovation: COVID-19 spurred use of distance learning, which also offers a rich source of data on the effectiveness of alternative learning techniques. The strategy will use this opportunity to test new approaches.

Gender: The activities will support provision of services to historically disadvantaged populations, such as youth, women, indigenous etc., including students with special needs. RDO I activities will include a focus on underserved or vulnerable populations (or communities) to provide protection from crime, violence, social marginalization, and other social factors or risks.

CSO Inclusion: USAID/ESC will engage in the civil society and media sectors to increase the access to information to counter perceived misinformation, and will support government transparency and accountability in the public sector.

C-TIP: IR 1.2 focuses on vulnerable populations, which includes victims of trafficking. Victims may require support to protect them from marginalization, exploitation, and discrimination by employers. Advocacy support and access to support services will also be supplied. These activities will lead to a more resilient and stable society. Finally, activities will also strengthen data collection systems for enhanced reporting on and response to TIP victims.

Redefining our Partnerships: Given the diversity of sectors under this IR, there are many core partners from the public and private sectors. Ministries of Youth, Social Development, Education, Justice, and National Security are critical partners to systems that increase citizen protection. For the crime data work, the Regional Security System will be a critical partner to encourage governments to continue their efforts, provide technical guidance and serve as a regional crime observatory for consolidating, analyzing, and sharing regional crime data. In the education sector, USAID will seek universities and countries' Ministries of Education to be key partners in facilitating data-driven education practices and policies. Government representatives will be core partners for the design, implementation, and monitoring of activities to improve opportunities and support improved resilience of youth, families, and communities.

IR 1.3: ABILITY TO WITHSTAND SHOCKS INCREASED

Activities under this IR will strengthen countries' abilities to reduce their vulnerability to shocks, improve their responsiveness, facilitate rebound after disasters, and respond to the impact of climate variability and change. Increasing transparency in this sector will support governments' responsiveness to its citizens. For instance, USAID/ESC recognizes that some groups such as trafficking victims are more vulnerable to natural disasters and yet rarely receive additional special assistance. Activities will seek to enhance data collection systems to report on vulnerable groups appropriately. To strengthen the disaster management system itself, the strategy targets supporting operational readiness. Activities

will focus on strengthening and integrating regional, national, and community systems to plan and implement mitigation approaches that support preparation for, responding to, and recovering from natural disasters, ensuring that these systems are climate sensitive. The Mission will also support sharing best practices in resilience within specific sectors. The energy sector will be supported through initiatives related to improving efficiency and building resilience in public facilities, including in both the physical as well as the cybersecurity space, supporting market expansion through increased private sector participation, and supporting institutional and regulatory reform for market expansion. Programming will complement work under the Caribbean Energy Initiative, which supports the wider Caribbean region. The Mission will also focus efforts, where funding permits, on improving climate resilience in other sectors (i.e., water, tourism, and agriculture) to bolster economic stability and growth.

Private Sector Engagement: USAID/ESC will seek to complement BHA efforts to identify opportunities, enterprises, or programs in which the private sector may invest and support community disaster resilience, creating a long-term collaboration between the private sector and humanitarian actors. USAID/ESC will work with other Missions engaging in this space to identify opportunities for collaboration. Potential opportunities include engaging in USAID/Dominican Republic’s Caribbean Renewable Energy Forum working group that focuses on attracting investments and capital to the renewable energy space, as well as USAID/Haiti’s Caribbean Resilience Fund created to help grow small- and medium-sized enterprises in the Caribbean through investments.

Innovation: Innovation in climate-resilience can include integrating data on current and expected changes in climate patterns into decision-making tools and approaches to make people better prepared to anticipate, adapt, and absorb potential impacts. Examples of such innovation include improved farming techniques, new models for credit access and savings schemes, participatory planning, and new forms of access to and distribution of information.

Gender: USAID/ESC will continue to work with other donors and partners on strengthening gender-responsive climate change adaptation and mitigation, as well as disaster recovery in the region.

CSO Inclusion: USAID/ESC will engage with civil society to ensure locally responsive climate change adaptation and mitigation, as well as disaster recovery.

C-TIP: Trafficking victims are among those most vulnerable to disaster. I.R. 1.3 will strengthen systems and promote response mechanisms, and enhance data collection systems to report on and respond to victims.

Redefining our Partnerships: Undergirding these approaches will be arrangements with regional and national disaster agencies and leads in key sectors such as energy and agriculture to build resilience and protect investments made. CDEMA will serve as a core partner of USAID/ESC resilience work. CDEMA’s network of trusted relationships across participating countries, particularly with the National Disaster Management Agencies in each country, will enhance the capacity of warning and response systems. Another core partner is the CIMH, which seeks to build the technical ability of national meteorological agencies and explores innovative and data-driven approaches to better predict extreme weather and its impacts.

RDO 2. COMMUNITY RESILIENCE STRENGTHENED

Development Hypothesis: Communities that participate in their own governance, prevent and recover from crime and violence, and reduce vulnerabilities with improved disaster management capacity will enjoy greater community resilience. The region will better withstand external shocks, and have more accountable institutions leading to economic development and private sector-led growth.

RDO 2 fosters community participation, thereby strengthening resilience at the grassroots level. Working at this level has several benefits. First, it allows USAID to aggregate data across small populations to better assess what does and does not work. Moreover, individual countries can learn from the successful programs implemented in neighboring countries. To further cement and build upon lessons learned over the past five years, this RDO will continue to build citizen security and community resilience through targeted programming using evidence-based interventions. This will include supporting activities that reduce gender-based violence and other forms of crime and violence at the community level and engaging private sector entities to ensure youth are mentored and more readily absorbed into meaningful employment. Interventions will also help communities reduce vulnerabilities by engaging citizens in governance, community development, and building disaster management capacity.

USAID/ESC will build the capability of national and sub-national institutions to serve vulnerable populations such as at-risk youth, their families, and victims of gender-based violence. Support will focus on education, justice, and other social sector ministries and agencies. This will include data collection, digitization, analysis, and use to inform policy and programming; and improving coordination, referrals, and service delivery.

Partners from RDO 1 will be important to achieving the objectives under RDO 2, especially the national governments of the countries, and local governments as appropriate.

FINANCING SUSTAINABLE DEVELOPMENT

While financing sustainable development primarily contributes to the objective of “Government Accountability and Transparency” under RDO 1, efforts will also promote investments for larger scale projects in the region to bolster economic growth. With the challenges that face SIDS—particularly lack of substantial resources to harness for growth—USAID’s efforts on financing sustainable development under RDO 2 will also use a cross-boundary approach to strengthen vital economic linkages, expertise, and peer-to-peer learning across the region.

CITIZEN SECURITY

Efforts under RDO 2 will focus on empowering citizens and civil society to prevent and recover from crime and violence and encourage the involvement of citizens in governance and development of communities. While acknowledging that issues of crime are complex, the RDO will prioritize improving the education system and working directly with families to reduce crime and violence by youth who are susceptible to being drawn into crime. Efforts under this RDO will also team with private sector stakeholders to train youths for jobs and so they may have legal economic opportunities and perspectives instead of turning to crime.

EDUCATION

Under RDO 2, the education approach will combine traditional foundational priorities—i.e., increased access to quality education and higher education—with marketable skills at various levels of learning to address prevalent education and resilience issues in the ESC region. Despite the emphasis on the education system, there is an emerging disconnect between the traditional outcomes of education in the region and the evolving needs of communities as well as the work and marketplaces. Literacy, numeracy, and soft skills are foundational skills for life and work. Gaining foundational reading, math, and social and emotional skills are strong predictors of whether an individual will stay in school, obtain a degree, get and maintain a job—or become involved in a crime.³⁸

RESILIENCE BUILDING

Investing in disaster prevention and reduction will diminish people’s vulnerabilities, save lives, reduce economic damage, and minimize the impact of future events. COVID-19 put into full view the extent to which ESC countries remain economically and resource dependent. The pandemic lockdown highlighted the precariousness of mono-sector economies dependent on tourism, and the fragility of their food, energy, and water security. The process of recovery from the COVID-19 pandemic provides a window of opportunity for USAID/ESC to support the transition to economies that are more inclusive and sustainable, while building resilience to natural hazards. USAID/ESC will support countries’ efforts to strengthen their ability to anticipate, prepare for, and respond to natural or human-made hazards while building thriving, inclusive, and sustainable communities. Supporting key sectors is a critical component of resilience building for the region with clean energy being a priority across all countries; water, agriculture, and tourism are additional sectors, depending on the country.

DONOR COORDINATION

Partnering with the Inter-American Foundation will be important to building capacity and advocacy for resilience at the community level. The Mission will also collaborate with the Caribbean Development Bank, UN Women, and UNICEF in areas such as youth security, gender-based violence prevention, education, and mental health.

REGIONAL RISKS AND ASSUMPTIONS

TABLE 2: KEY ASSUMPTIONS AND RISKS FOR RDO 2

ASSUMPTIONS	RISKS
<ul style="list-style-type: none">• USAID/ESC is able to identify highly capable implementing partners and guide their approach to deliver cost-effective programs.• The private sector and other key partners are willing to work with USAID in the identified priority areas.• Community actors are willing to join together to address vulnerabilities.	<ul style="list-style-type: none">• There are significant changes in relevant U.S. Government policy.• External shocks, unforeseen needs, natural disasters, and the COVID-19 pandemic divert attention, resources, and priorities elsewhere.• Spillover is possible from the ongoing crisis in Venezuela, which may divert attention, resources, and priorities elsewhere.

³⁸ “USAID Education Policy,” USAID, November 2018,

https://www.usaid.gov/sites/default/files/documents/1865/2018_Education_Policy_FINAL_WEB.pdf.

ASSUMPTIONS	RISKS
<ul style="list-style-type: none"> The community is supportive of USAID’s programming. The community is supportive of USAID’s programming. 	

IR 2.1: CITIZENS EMPOWERED TO PREVENT AND RECOVER FROM CRIME AND VIOLENCE

USAID/ESC will support geographic locations and populations with high risks of youth crime and violence. Targeted activities yield greater returns on investment and ensure scarce resources have greater impact. IR 2.1 activities will use risk-differentiated, gender-responsive, and positive youth development approaches to provide appropriate education, skills, rehabilitation (where applicable), and psychosocial support. Working with the private sector and other development partners, the Mission will use workforce development, civic engagement, and other appropriate activities to support youth access to productive and inclusive development opportunities. Support may be provided for youth in climate-resilient livelihoods and encouraging youth engagement in environmental initiatives since engaging at-risk youth in positive initiatives could decrease instances of crime and violence post-disasters and increase the rate of recovery.

Activities will also include strengthening the family environment and the safety of communities, as evidence shows that working at the individual youth level is insufficient in reducing involvement in crime and violence. Youth, family, and community interventions will reduce the incidence of crime and violence—including GBV—in communities, change attitudes, and involve parties in developing and implementing solutions. USAID/ESC will apply lessons learned from previous programs to inform the design of family interventions and the utilization of risk measurement tools.

USAID/ESC plans to work with countries to capture reliable disaggregated data on victims and offenders of trafficking. This will enhance crime and violence reporting, fill data gaps, and provide valid information to support evidence-based decision making for allocation of resources to TIP. USAID’s activities will explore and respond to the needs of TIP victims such as counseling, treatment, and education programs. Government officials, CSOs, and other stakeholders will receive technical support to develop needs-based interventions and adaptive management strategies that will assist with identification of victims, referral services, and support where needed. This will strengthen government institutional systems and civil society capacity for a more comprehensive response. Female TIP victims will be prioritized within the youth and citizen security activities that provide GBV treatment and referral services, entrepreneurship training and skills, and opportunities for internships in order to empower them economically.

Private Sector Engagement: USAID/ESC will work with private sector partners to increase youth employment. Areas of consideration include providing capital for youth ventures, and supporting entrepreneurship, business mentoring, internships, and other work opportunities. The private sector is not only a job provider, but can also provide valuable information on what skills are needed in workforce development planning.

Innovation: Promising areas for engagement include creating data-sharing agreements between governmental and non-governmental parties to provide valuable data at little cost; increasing the use of

artificial intelligence, which is already being used in weather forecasting by USAID partners; and creating a challenge fund to generate new ideas addressing the long-term problem of the high cost of importing food into the region.

Gender: Youth will be trained on managing interpersonal relationships, especially with regard to GBV. Inclusive training on social and leadership skills will result in more gender equality.

CSO Inclusion: CSOs and other community stakeholders will receive technical support to develop needs-based interventions and adaptive management strategies that will assist with victim identification, referral services, and support where needed.

C-TIP: Activities to capture reliable data on trafficking will provide the information needed for evidence-based decisions. Activities may include counseling, treatment, and education to victims of trafficking, either directly sponsored by USAID/ESC or its partners. Government officials, CSOs, and other stakeholders will receive technical assistance to improve the effectiveness of their efforts.

Redefining our Partnerships: The Caribbean Development Bank continues to be a critical partner in USAID's work with youth—sharing assessments and other data, learning from each other's approaches, and coordinating coverage of interventions for effectiveness. Similarly, UN agencies, such as UNDP, UNICEF, and UNWOMEN, among others, will continue to play an important role in sharing data, as well as coordinating and cooperating on community interventions.

IR 2.2: COMMUNITIES EQUIPPED TO REDUCE VULNERABILITIES

Activities will build community level resilience via a two-pronged approach split between strengthening local systems and livelihoods to respond to natural disasters and climate variability, and improving local governance and community development in target countries. A critical feature of programming will be a focus on working with community systems, organizations, and citizens while ensuring strong linkages with national systems across all areas. USAID/ESC will work to build public awareness and engagement within select communities on the region's official disaster response frameworks. Efforts will target local actors, including the private sector, CSOs, schools, faith-based organizations, local citizens, and other relevant bodies. Activities will focus on improving disaster management capacities, building linkages between local actors, strengthening risk governance at the local level, and ensuring active participation of vulnerable groups within communities. In addition, the Mission will support the governance and development of local communities at the sub-national level by increasing community engagement in electing representatives, identifying priorities, setting budgets, implementing development activities, and monitoring progress.

Private Sector Engagement: Engaging the private sector in disaster risk reduction initiatives will not only support communities' resilience planning, but will also ensure that markets rebound more quickly after an event. Corporate social responsibility initiatives and new private sector instruments, such as insurance, will be explored as potential tools. Additionally, USAID/ESC activities will seek to provide technical assistance for the regulatory reform of the energy sector and support U.S. and local energy investments in the region as part of USAID's Caribbean Energy Initiative.

Innovation: USAID activities will focus on introducing decision-making tools and approaches to increase communities' preparation efforts for anticipating, adapting, and absorbing potential impacts of current

and expected changes in climate patterns. Examples include improved farming techniques, new models for credit access and savings schemes, participatory planning, and new forms of access to and distribution of information.

Gender: Women are more vulnerable to shocks given pre-existing inequalities, and tend to be in lower paying jobs that are more likely to disappear in a disaster. USAID will focus on strengthening women's civic participation. Further, along with vulnerable male youth, efforts will prioritize women for private sector-led skills training and skills-building programs.

CSO Inclusion: CSOs are the main beneficiaries and stakeholders under IR 2.2 planned activities.

C-TIP: Community systems will be sensitive and responsive to vulnerable groups, including victims of TIP who often do not have ready access to government-provided networks and services. Further, efforts under IR 2.1—technical assistance to government officials, CSOs, and other stakeholders to improve the effectiveness of their efforts—will also affect IR 2.2.

Redefining our Partnerships: Initiatives implemented between 2021-2024 by CDEMA will also build resilience capacity at the community level. This will include strengthening response alliances and systems as well as linking national and community systems to manage risk and build resilience. In addition, USAID will help strengthen livelihood opportunities as part of resilience building in select communities.

5. MONITORING, LEARNING, AND EVALUATION

USAID/ESC is committed to developing and strengthening robust monitoring, evaluation, and learning (MEL) systems that advance the achievement of the RDCS goal and objectives. The Mission strives to model generation, sharing, and use of data and evidence to inform decision-making by USAID and in collaboration with regional stakeholders. The data generated by the Mission's monitoring and evaluation efforts will be key inputs for assessing the relevance and validity of the results framework.

Through a collaborating, learning, and adapting (CLA) approach, USAID/ESC will help implementing partners coordinate their efforts, collaborate, learn quickly, and make iterative, timely course corrections. Stakeholder engagement within the CLA framework will focus on complementary and coordinated interventions, information sharing, and other forms of collaboration among stakeholders. Mechanisms already in place, such as the Mission's MEL Community of Practice, will bolster peer-to-peer learning.

Since 2015, USAID/ESC staff and implementing partners have standardized performance indicator data reporting and management using Excel-based templates and data dashboards. USAID/ESC has opted to use these templates to consolidate indicator data in preparation for transition to the Agency Development Information Solution—USAID's integrated performance management, budget, and procurement platform.

To successfully manage performance across all RDOs, USAID/ESC's approach, to be captured in its Performance Management Plan, will utilize GIS to augment routine performance and context monitoring, analysis, and learning. It will use evaluations and other analytical work such as assessments and special studies to critically assess assumptions and risks and to test and refine development hypotheses and

approaches. The Mission will pay close attention to areas relevant to cross-cutting themes and context through studies that focus on areas not captured in evaluations and regular monitoring.

The ESC Mission recognizes that some knowledge gaps exist in the strategy's theory of change. As such, it will seek answers to the illustrative questions listed below throughout implementation of the RDCCS; the learning activities and deliverables that will be paired with each question also will inform the Agency's Self-Reliance Learning Agenda and contribute to CLA with regard to USAID's CBSI activities.

Questions relevant to RDO 1:

- What are the common challenges to addressing fiscal policy reform?
- What are factors for and/or barriers to government responsiveness to its citizens?
- What context-specific factors drive effective collaboration with partner governments on delivery of services to targeted/high-risk populations?

Questions relevant to RDO 2:

- Which interventions are most effective at addressing gender dynamics in ESC communities to promote resilience?
- What is an effective approach or combination of approaches for increasing the diversity and representation of youth, women, and other under-represented groups in civic advocacy and engagement?
- How can USAID promote meaningful, impact-driven private sector engagement, particularly in the absence of financial capital?

6. ANNEXES

- [Regional Sectoral Analysis](#): Due to inconsistent and unavailable data for the region, this Annex serves to replace the regional landscape roadmap.
- [Climate Risk Management Screening Summary](#): This Climate Risk Screening was developed per RDO and IR and includes an evaluation of threats to the region from climate-related hazards and a Climate Risk Screening at the sector level.