

Caribbean Regional Communications Infrastructure Program (CARCIP)

Concept and Status

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- Summary of CARCIP
- Background: Why CARCIP?
- Overview of Components
- Sample country project: Grenada
- Financing, Phases and Timing

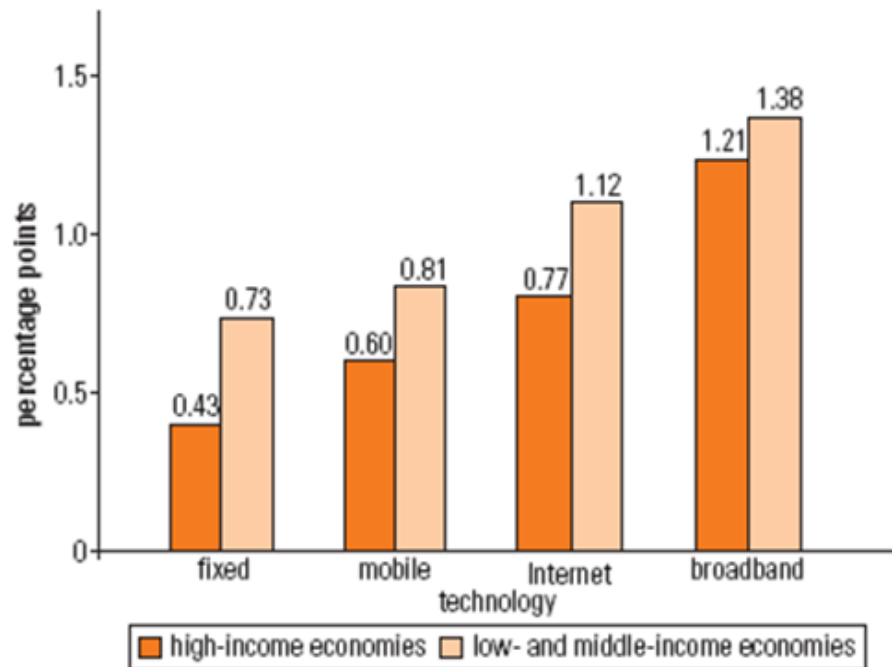


Background: Why CARCIP?

Broadband contributes to growth and employment and opens up new opportunities

	GDP USD billions	Jobs Millions
Asia	150 - 180	6.6 - 8.0
Africa	40 - 90	1.3 - 3.1
Central and Eastern Europe	60 - 80	0.9 - 1.3
Latin America	50 - 70	1.1 - 1.7

** McKinsey & Company, Mobile broadband for the masses, February 2009, p. 4



Source: World Bank (2009), ICT4D



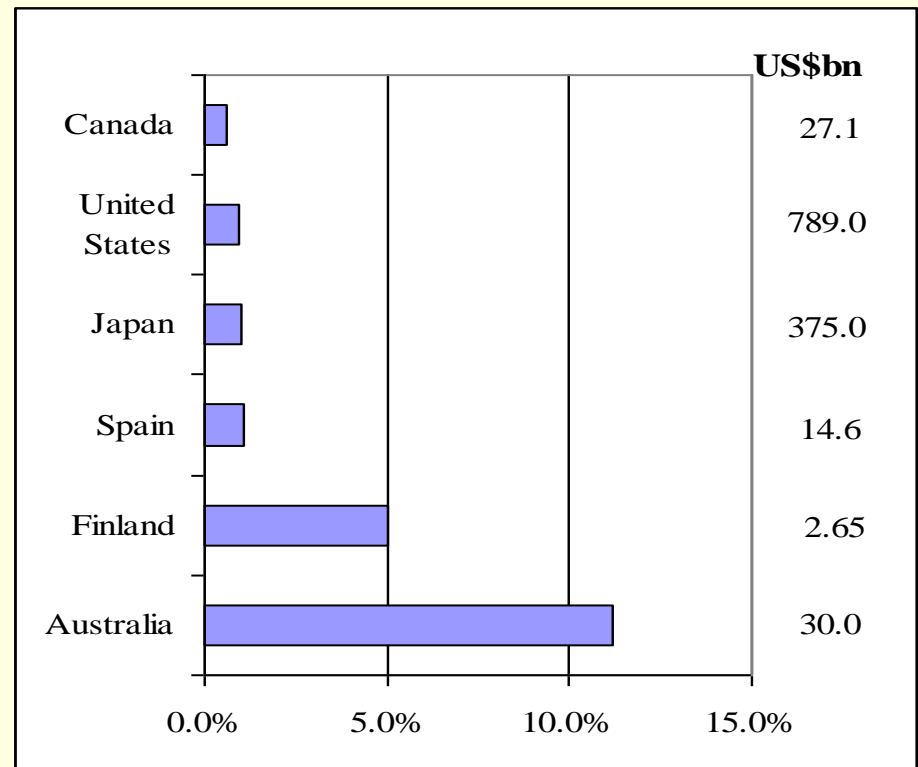
ICT Broadband: Catalytic Public Investment to Foster Growth

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Developed and developing countries are investing in broadband as a platform for economic growth

- Stimulus packages used broadband as a source of long-term growth
- Colombia and Brazil have launched strong broadband infrastructure plans

Broadband spending in stimulus packages



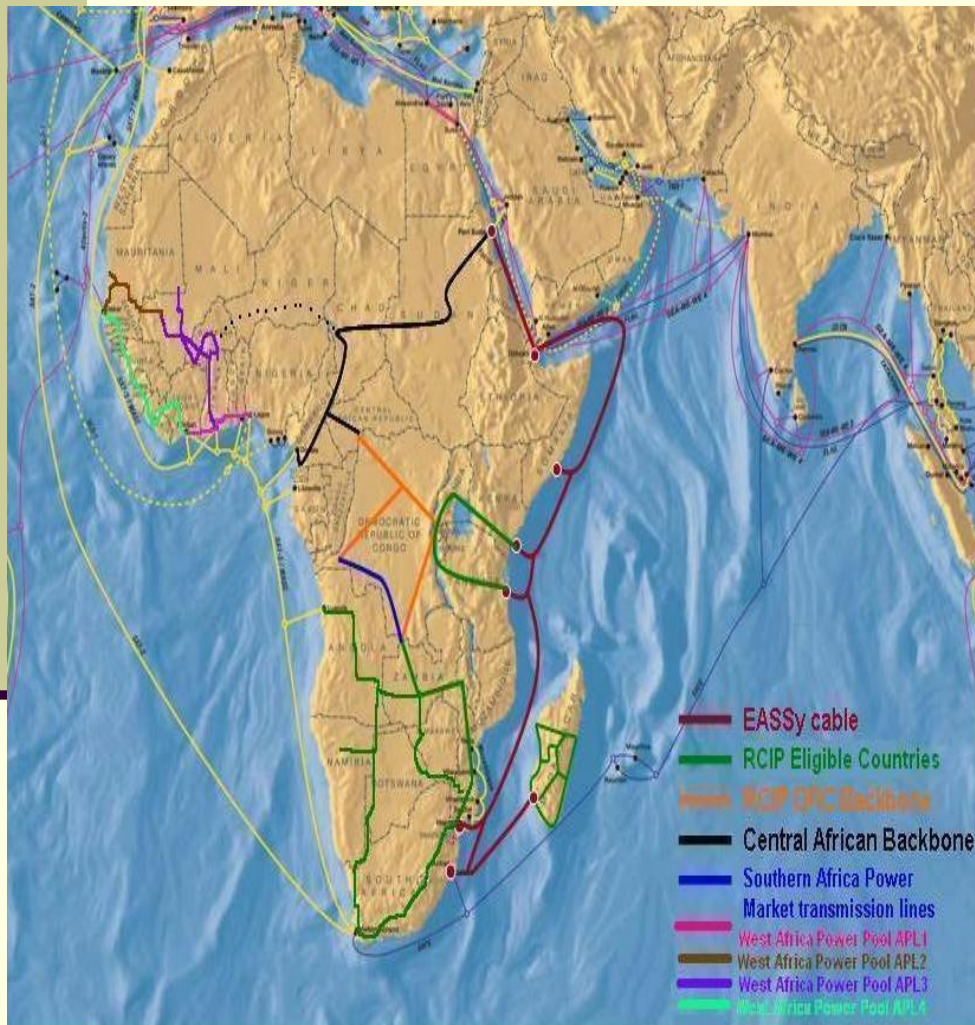
Source: "Broadband Infrastructure Investment in Stimulus Packages: Relevance for Developing Countries", Christine Zhen-Wei Qiang, The World Bank, May 2009



ICT Lessons from WBG

Experiences in Africa

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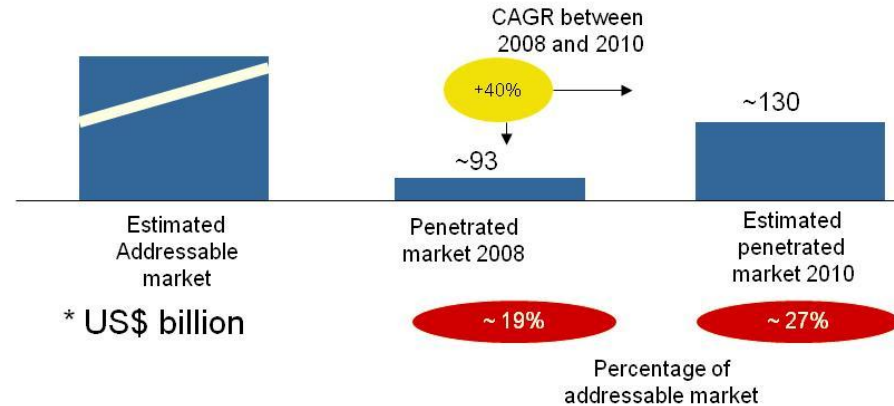
- Full Connectivity Solutions at International, Regional, Cross-border, National levels leveraging Public & Private funding and alternative infrastructure
- RCIP (East/Southern) - \$424m
- EaSSy Submarine Cable - \$32m
- Central Afr. Backbone - \$215m
- West Africa Reg. Com. Infrastructure - \$305m



Demand-side policies are also needed to absorb ICT benefits

- E-government programs
 - Increase government efficiency
 - Aggregate demand
- E-literacy and Access
 - Raising demand and productive use of ICTs
- Development of IT-ITES industry
 - Diversifying sources of growth
 - Knowledge-based development

Global IT/ITES market*



IT and ITES markets hold great opportunities for the LAC region, notably in software development, graphic design and export of other information-processing services



ICT CARCIP is a comprehensive umbrella program for ICT4D

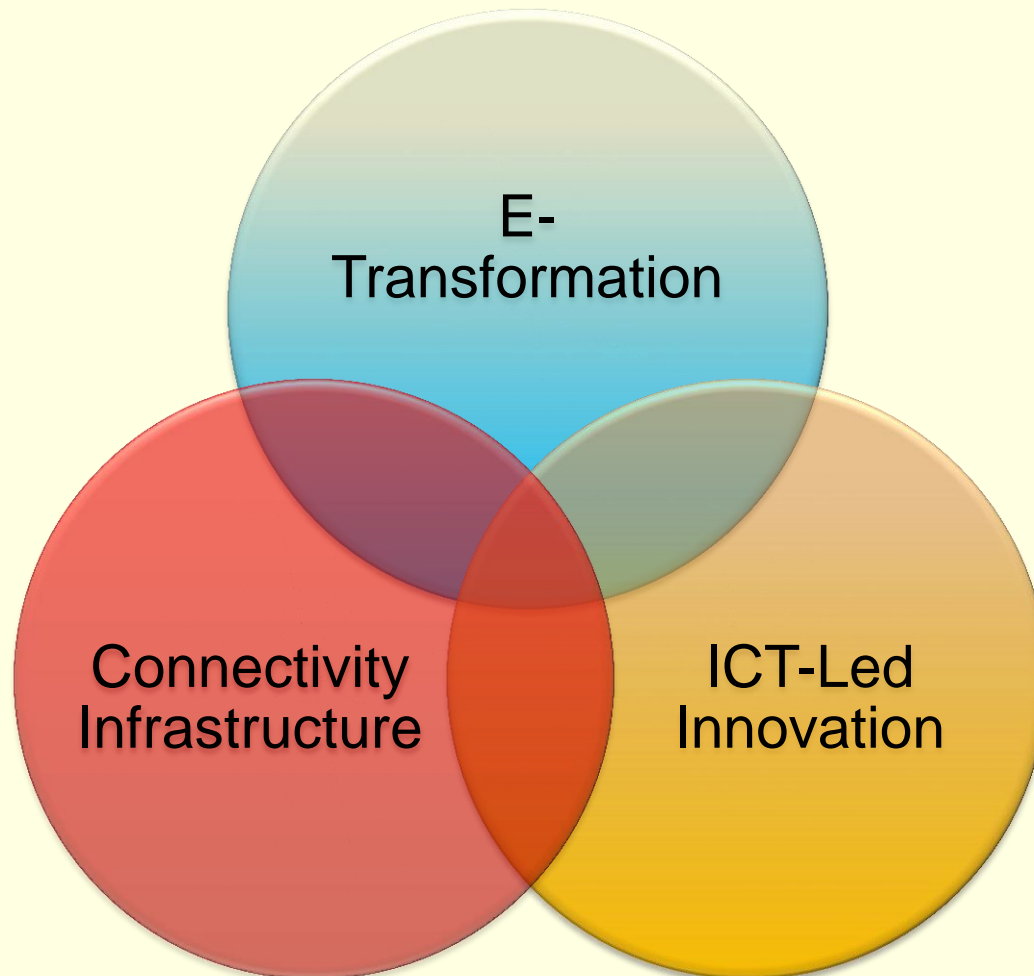
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- **Broad umbrella program** to include all CARIFORUM countries, strongly anchored in CARICOM's ICT agenda, closely coordinated with other regional programs
- **Specific components tailored** to each country on the basis of a broad Menu of Options, agreed with stakeholders through consultations
- **Phase 1 countries:** Dom. Rep., Grenada, St. Lucia and St. Vincent and the Grenadines
- **Approval of Phase 1:** planned for April/May 2012

Objectives:

- Increase access and affordability of broadband communications networks within region and countries
- Contribute to the development of the regional IT industry
- Contribute to improved Government efficiency and transparency through the delivery of e-services, including e-government and e-society applications

Three Main Areas of Action





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Filling the Gaps in Connectivity Infrastructure

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Connectivity Infrastructure

- Telecommunications regulation
- Landing stations and submarine cable
- Cross-border fiber links
- Broadband backbone networks
- Broadband government virtual private networks (GovNet)
- Rural access
- Internet Exchange Points (IXPs)
- Emergency communications networks



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Diversifying Sources of Growth and Employment

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ICT-Led Innovation

- Policy to support for regional IT and ITES industry
- Regional network of IT and business incubators
- Regional network of IT parks and technology centers
- Skills development: certification programs, university-industry collaboration, diaspora knowledge
- Entrepreneurship financing: Venture Capital Funds



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Expanding the Benefits of ICT to other Sectors

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E- Transformation

- E-government standards, interoperability frameworks
- Legal and regulatory framework for e-transactions, cybercrime, privacy, intellectual property, etc.
- E-government and m-government horizontal infrastructure
- E-security infrastructure
- Regional support network: sharing and transfer of knowledge and technical solutions
- E-services and mobile applications on the basis of PPPs
- High impact e-government and m-government services
- High impact e-society and mobile applications
- High impact e-commerce and mobile applications
- Terminals access to increase computer penetration



Component 1 – Connectivity (US\$5.75m)

- **National Broadband Backbone Network**
 - *Grenada Metropolitan Area Network*: will connect government offices and public institutions, around the country, including the islands of Carriacou and Petite Martinique, leveraging private investment
- **Internet Exchange Point**
 - Support NTRC in dialogue with ISPs to create national IXP, eventually to be part of a fully integrated Caribbean Regional IXP



Component 2 - ICT- Led Innovation (\$3.75m)

- **Technology/Business Incubation Centers**
 - Leverage the existing ICT Center of Excellence and create others to support business incubation and promote creation of a new ICT-enabled industry in the country
- **Skills Development and Certification Program**
 - Train and certify youth on IT-related skills, linking with businesses to ensure a market-driven approach that can generate jobs in this new industry

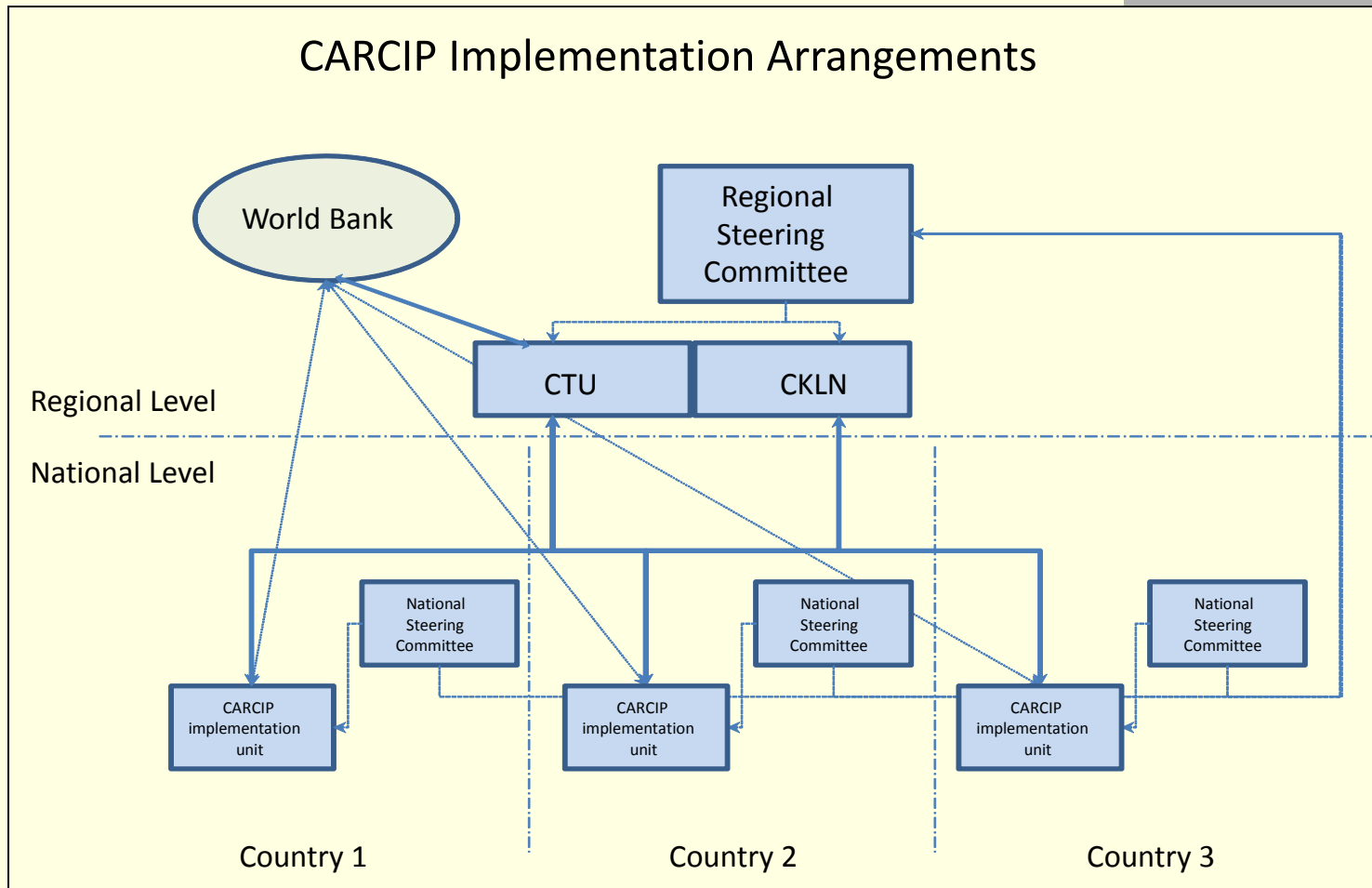
Component 3 - Mostly covered by EGRIP



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CARCIP Implementation Arrangements

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■ Programmatic Approach:

■ Mix of sources of financing:

- World Bank, CDB, IADB lending
- donor grant funding
- government own resources
- substantial amounts of private sector investment

■ Phasing of countries based on interest and readiness

■ Adaptable Program Lending instrument allows countries to join on a readiness basis

■ Estimated Financing for Phase 1:

■ Dominican Republic: \$27 million IBRD

■ Grenada: \$10 million IDA

■ St. Lucia: \$6 million IDA

■ St. Vincent and the Grenadines: \$6 million IDA

■ **Project preparation advances have been mobilized for the three IDA countries**



■ **Timing:**

- Appraisal workshop planned for January 2011 for Phase 1 countries
- Program and Phase 1 projects scheduled to be approved by the Board of the World Bank by April/May 2012
- Implementation period of 4-5 years.

■ **Process for additional countries willing to join CARCIP:**

- Submit letter from Ministry of Finance expressing formal interest in participating in CARCIP
- Ministry of Finance may also request a Project Preparation Advance to accelerate project design and implement a series of “quick wins”
- World Bank team to conduct preparation mission to identify specific activities to be financed and prepare Project Appraisal Document
- Additional phases may be approved at any time

THANK YOU!

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