

**2024 -
June**

Caribbean Countries

Component: Revenue

***Module: RM III – Training and Peer
Learning***

CARIBBEAN COUNTRIES

PROJECT SUMMARY	
COUNTRY:	Caribbean Countries
LEAD DEPARTMENT:	FAD
REGION:	WHD
PROGRAM ID:	[To be filled out by Secretariat]
PLANNED DATES:	FY25 – FY28
FUNDING PROGRAM TITLE:	Strengthening Revenue Administrations' Risk Management Frameworks in Caribbean Countries
PROJECT MANAGERS:	Paulo Paz, Norris Miller – Revenue Administration Division 2
RM II - REVENUE ADMINISTRATION:	Paulo Paz (Lead)
ESTIMATED BUDGET	\$ 549,903
BUDGET FOR ENDORSEMENT:	\$ 112,638

Contents

Project Summary.....	2
I. Project Purpose.....	4
II. Background	6
III. Project Level Description	6
A. Project Scope	9
Table 1. Summary of Objectives covered by the Proposal	9
B. Country Engagement	12
C. Delivery Modalities	12
D. Coordination / Cooperation	13
IV. Risk Assessment and Mitigation.....	14
V. CD Delivery Plan Country Level	15
Table 2. Summary of Indicative CD Delivery	15
Table 3. First year workplan.....	15
VI. Program Financials.....	15
ANNEX I. REVENUE MODULE II - REVENUE ADMINISTRATION	16
A. Program Objectives	Error! Bookmark not defined.
B. Expected Results (outcomes)	Error! Bookmark not defined.
C. Targeted Logical Framework – REVENUE ADMINISTRATION.....	Error! Bookmark not defined.

CARIBBEAN COUNTRIES**ACRONYMS**

CARTAC	IMF's Caribbean Regional Technical Assistance Center
CD	Capacity development
CRM	Compliance risk management
FAD	IMF's Fiscal Affairs Department
LAC	Latin America and the Caribbean
SDS	Small developing states
STX	Short-term expert
TADAT	Tax Administration Diagnostic Assessment Tool

I. PROJECT PURPOSE

This capacity development (CD) project proposes to support the building of a network of Caribbean countries to develop risk management strategies. Adopting compliance risk management is a desirable maturity level for revenue administrations worldwide, and its adoption has only been moderately successful in the region. As the Tax Administration Diagnostic Assessment Tool (TADAT) has shown, with only one exception, compliance risk management (CRM) has yet to be implemented in all countries in the region (at least those who participated in TADAT assessments). CRM requires knowledge of taxes, business operations, statistics, and computer and data science. Developing specialized teams in CRM takes time and is more challenging for small administrations. A regional network of countries working on CRM will improve the building of business-cases and risk identification and treatment, support better headquarters functioning, and reduce the learning curve by generating the exchange of experience, joint learning, and common solutions for similar issues. Regarding institutional risks, most revenue administrations do not own institutional risk strategies, so they adopt the general country's risk planning without looking at the revenue administration specificities. Under this project, regional workshops, seminars and training, and peer-to-peer engagements, that could result in country-specific CD activities, are planned per year.

The project plans to generate a community of tax administration specialists to boost CRM in the region. Initially, a regional workshop will be conducted with all 23 member countries of the IMF's Caribbean Regional Technical Assistance Center (CARTAC). Based on issues identified, a high-level action plan will be developed. A subgroup will be selected to participate in peer-to-peer engagement and to benefit from CD.¹ The criteria to select these countries are: (i) countries with recognized challenges in risk management; (ii) countries committed to implementing the CRM business model; and (iii) countries where the IMF's Fiscal Affairs Department (FAD) has pending CD requests (unfulfilled due to a lack of financing). At a later stage, other countries can join the network.

The four-year project will be strongly integrated with the CARTAC work plan, and the activities will compose the same CD project for CDMAP purposes. The estimated budget for this four-year project is \$549,903, but endorsement is requested for \$112,638 for the first year of implementation (FY25). Endorsement for future plans will be requested at a later date as funding for the program is secured.

¹ Beneficiaries of specific CD activities will be determined at a later date and presented as a separate country project to the Steering Committee for endorsement.

CARIBBEAN COUNTRIES

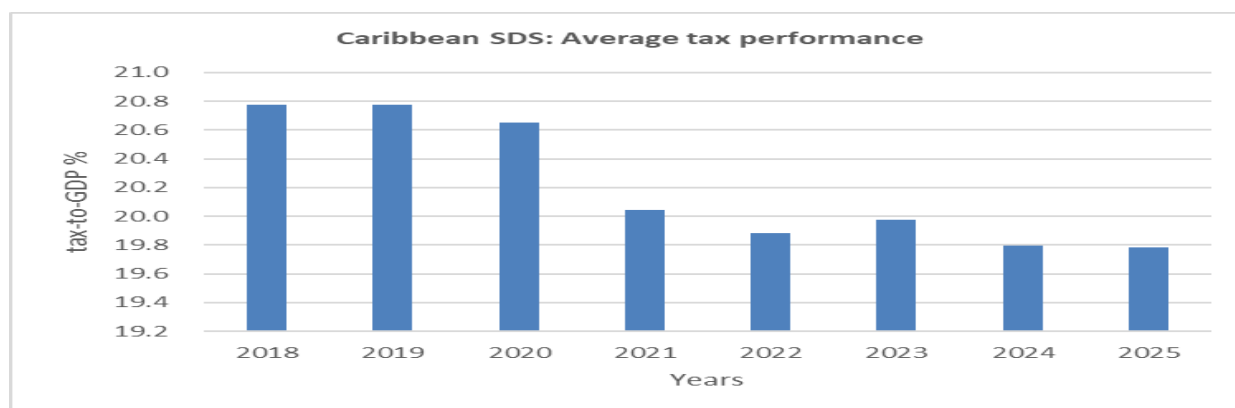
II. BACKGROUND

Macro-fiscal situation

After a stronger-than-expected recovery from the pandemic and continued resilience in early 2023, economic growth in Latin America and the Caribbean (LAC) is softening as the effect of tighter policies to combat inflation is taking hold and the external environment is weakening. GDP is expected to grow by 2.3 percent in 2023 and 2024, down from 4.1 percent in 2022 over 2021.² With respect to the Caribbean small developing states (SDS) and excluding Guyana,³ the growth in GDP follows that of the LAC, being 4.2 and 3.5 percent growth respectively, with 2022 growth by 8.2 percent over 2021. Of note, an increase in tourism, higher commodity prices and the end of temporary tax reliefs supported a strong rebound in tax revenues across the LAC region in 2021. The average tax-to-GDP ratio in the LAC region was 21.7 percent in 2021, an increase of 0.8 percentage points from the level in 2020, when the tax-to-GDP ratio fell by 0.8 percentage points.⁴

While most Caribbean countries are recovering from COVID-19, the recovery pace has been mixed. Tourism related economies began to grow at a faster pace than others. However, for the 2023–25, average tax-to-GDP ratios for the SDS is expected to continue performing below pre-pandemic levels (Figure 1).

Figure 1. Caribbean SDS – Average Tax-to-GDP Performance



Source: IMF staff.

Small states⁵ face unique challenges in building efficient revenue administration systems. First, limited resources can make it difficult to ensure adequate infrastructure and technology. Second, with lower populations, small states do not benefit from economies of scale, leading to proportionally higher revenue administration costs. Third, external shocks such as natural disasters, economic contractions,

² Source: IMF, [October 2023 World Economic Outlook](#).

³ Guyana growth rate: for 2022, 62.3 percent; 2023, 38.4 percent; 2024, 26.6 percent.

⁴ Refer to <https://www.oecd.org/tax/tax-policy/brochure-revenue-statistics-latin-america-and-caribbean.pdf>.

⁵ Cabezón, E. P. Tumbarello, and Y. Wu, 2015, "Strengthening Fiscal Frameworks and Improving the Spending Mix in Small States", IMF Working Paper, WP/15/124, Washington DC: International Monetary Fund.

CARIBBEAN COUNTRIES

financial crises, and states of emergency can significantly impact revenue collection and administration. Fourth, small tax administrations can face challenges to organize and consolidate specialized teams with some very specific skills due to their small size. Finally, although the highly appreciated capacity development activities for small states in the Caribbean have been provided mainly through the Caribbean Regional Technical Assistance Center (CARTAC), SDS⁶ authorities have been voicing concerns regarding the limited capacity development (CD) assistance.⁷ CARTAC has 23 member countries, 11 of which are defined as SDS.

Why Risk Management is critical to SDS in the Caribbean?

This project chose risk management as a priority to support SDS in the Caribbean due to its spillover effect in other areas of tax administration. Identifying the largest relative risks to the tax base allows tax administration leaders to make informed decisions on how to address the non-compliance and promote higher rates of voluntary compliance. CRM promotes voluntary compliance, allows administrators to have a strategic view of where the main risks to the revenue are prevalent, ensuring a focus on the most significant issues, and making best use of available (often scarce) resources across competing functions. If the main risks are in respect of accurate reporting, for example, efforts focused on CRM will improve not only the CRM but also affect taxpayers' behavior in filing with accuracy. Similarly, addressing the main institutional risks will support to build resilient tax administration that adopt informed decisions in human resources, IT, and other support functions.

While SDS in the Caribbean are largely middle-income countries, the tax administrations remain very weak when compared to international good practice and perform similar to tax administration in low-income developing countries. TADAT assessments conducted on seven SDS countries⁸ indicated that each country did not meet TADAT's overall minimum requirements,⁹ averaging 34.7 percent of maximum score, as against Jamaica 65.5 percent (only Caribbean non-SDS country). In addition, they suffer from being small organizations, with small teams, limited discussion, exchange of ideas and collective learning. These challenges become even more pronounced in deeply specialized areas such as business and data analysis. Creating a regional group working together on risk management will provide a means to overcome all these challenges.

Analyzing the countries performance at the TADAT dimensional level, the Caribbean SDS (CSDS) showed weaker performance against the global average and Jamaica. The CSDS received 78 percent "D"s against Jamaica's 27 percent and the global average of 53 percent. With respect to scoring of "A"s, the CSDS had 6 percent, Jamaica 38 percent, and global average of 16 percent.

The countries, therefore, demonstrated weaknesses in all TADAT Performance Outcome Areas (Figure 2), but CRM had the second highest percentage of "D" scores in TADAT. Significant weaknesses have been identified in Effective Risk management (POA2); Timely Filing of Tax Declarations (POA4); Accurate Reporting in Declarations (POA6); Accountability and Transparency (POA9) with somewhat better performance in Supporting Voluntary Compliance (POA3) and Effective Tax Dispute

⁶ SDS are countries with a population of less than 1.5 million. Haiti, Jamaica, and Trinidad and Tobago are not SDS. Caribbean Overseas dependent territories are all SDS and have small and micro tax administration, but are not recognized as SDS by the IMF and World Bank.

⁷ Rustomjee, Cyrus et al. 2022. "IMF Engagement with Small Developing States," IEO Evaluation Report 2022. Washington DC: International Monetary Fund.

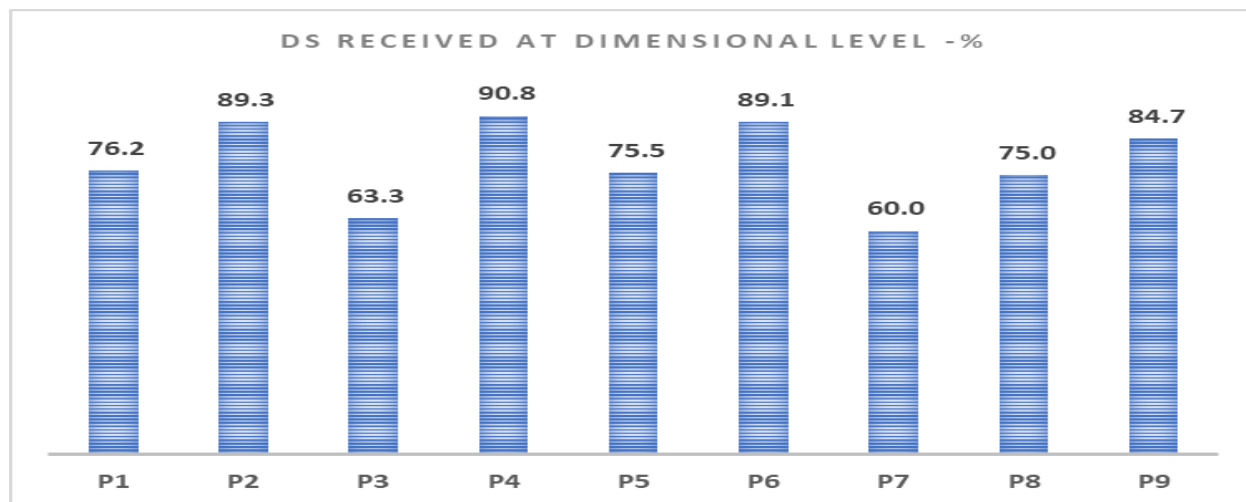
⁸ Antigua, Barbados, Dominica, Guyana, St. Lucia, Suriname, and Trinidad and Tobago.

⁹ 50 percent is the minimum requirement.

CARIBBEAN COUNTRIES

Resolution POA7). With 89.3 percent with “Ds”, risk management must be addressed due to capacity of leveraging performance across the whole organization. In addition, an effective risk management program supported by strong HQ functions developing and reporting program (POA9) can yield improvements in POA1, POA4 and POA6.

Figure 2. Lowest Score (D) by POA



Source: IMF staff.

Countries engagement and alignment to reform priorities

The authorities of beneficiary countries are committed to the reforms and interested in continued FAD support in risk management. The identified participating countries, which have requested CD to strengthen risk management from CARTAC, face similar challenges (less than optimal HQ functioning in CRM, internal and external data to boost a CRM project, and small teams assigned to risk management). Working together, they would provide a mutual support in the region. All identified countries will participate in the workshops to enhance CRM awareness and learn the methodology. A smaller group (around six) will participate in peer-to-peer engagement to facilitate knowledge sharing, and up to three countries per year will receive technical assistance on risk management, through CARTAC workplan.

Caribbean countries need strategic guidance on how to develop and implement programs for building a resilient revenue administration, and risk management is key to achieve this outcome. Strong foundations are therefore needed, ensuring that revenue administrations: (i) are organized largely on a functional basis; (ii) have sufficiently resourced headquarters to oversee all aspects of its operations; (iii) are structured and organized to identify and manage all significant risks and priorities; (iv) have a common legal framework for the administration taxon which compliance framework build on; (v) supported by modern IT system and practices, and (vi) have strong analytical capacity. Revenue mobilization efforts are constrained in their capacity to finance reconstruction. Strengthened domestic revenue mobilization can play an important role in boosting revenue collections to fund resilience needs.

IMF priority areas/cross-cutting themes

Digital transformation of operations is a cornerstone of any revenue administration modernization. Most countries within the region suffer from having outdated tax administration tax information systems (TAIS). Currently, in trying to modernize their operations, twelve countries have

CARIBBEAN COUNTRIES

either commenced the process of acquiring a new TAIS, are at an advanced stage of implementation or have implemented within the last two years. Better systems will require capacity building in the use of new technology and data analytics. By leveraging digital transformation initiatives, administration can enhance their compliance risk management capabilities, improve regulatory compliance outcomes, and achieve greater efficiency, agility, and effectiveness in managing compliance-related processes and activities.

III. PROJECT MODULES - DESCRIPTION

This proposal will provide CD support to Caribbean countries in the area of revenue administration. FAD CD will support improvements within the strategic objectives presented in Table 1 below:

Table 1. Summary of Objectives covered by the Proposal

Component	Module	Objective
Revenue	RM III – Training and Peer Learning	Strengthened revenue administration management and governance arrangements

A. RM II - Revenue Administration

Scope

CD under the Global Public Finance Partnership (GPFP) will focus on enhancing CRM to strengthen the tax administrations in the region to mobilize revenues through increased tax compliance. This will include workshops and peer-to-peer engagements to strengthen governance and strategic management and, in some special cases at the strategic level, modernize core operational functions of tax administration and improve customs administration functions. This project focuses on strengthening CRM, putting together Caribbean tax administrations that face similar challenges. The resulting network will improve the building of business-cases and risk identification and treatment strategies and reduce the learning curve by generating the exchange of experience, joint learning, and common solutions for similar issues.

CD delivered by GPFP will focus on strategic advice, while CARTAC along with the respective authorities will guide the implementation of the recommendations. While the focus of the program is to strengthen CRM framework, there will be a need to address revenue administration areas that directly impact link efficient development and implementation of CRM strategies. In this regard, CD may look at the strategic objective of strengthening revenue administration management and governance arrangements. If necessary, specific country-projects can be submitted to the GPFP in the future to build in the results of this project. Albeit the specific outcomes and milestones will be designed in the respective multi-funding single-country project, it is anticipated that the CD strategy will, directly or indirectly, cover the following outcomes under this project:

Objective: Strengthened revenue administration management and governance arrangements:

- Authorities have a baseline understanding of the current state of the government's revenue administration, management, and governance arrangements and core revenue administration operations.

CARIBBEAN COUNTRIES

- Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized.
- Corporate priorities are better managed through effective risk management.
- Digital technologies are better aligned with strategic objectives.
- Organizational arrangements enable more effective delivery of strategy and reforms.
- Support functions enable more effective delivery of strategy and reforms.

Program Objectives

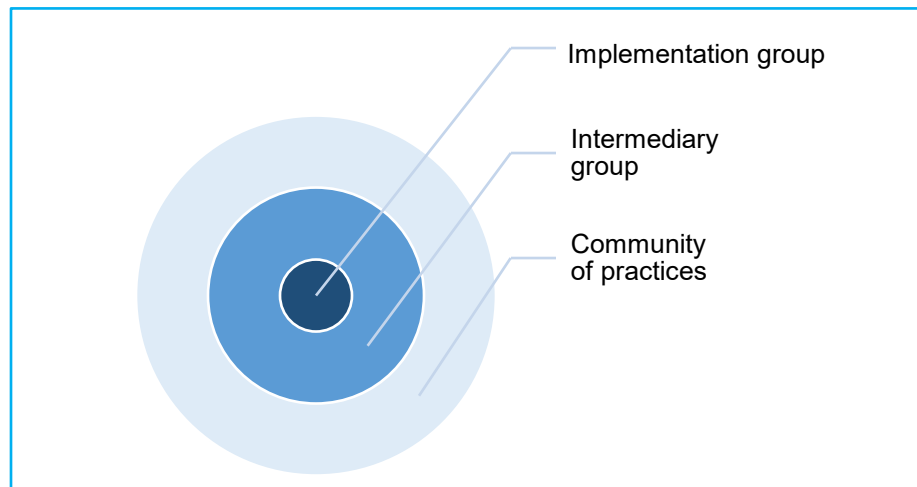
The objective of this project is to help Caribbean member countries to improve the tax administration's performance and revenue collection based on effective risk management. Risk management is key to enhancing revenue administration management by allow focusing limited resources in the more critical areas based on priorities decided by the revenue administration agencies. A well-organized regional CRM network will help headquarters functions to increase results with higher transparency and accountability. The main outcome of this program is to support the participating countries in managing their priorities better through effective risk management, building on better identification, assessment, and mitigation of compliance risks.

The regional initiative intends to increase awareness, acceptance and incorporation of risk management in the Caribbean revenue administrations. A community of practices and peer-to-peer learning will help small states to develop a culture of improved: (i) identification, assessment, ranking and quantification of risks; and (ii) monitoring and evaluation of the mitigation actions. Creating a regional net of specialists in tax compliance will leverage CRM culture in the region by allowing collective learning and exploration. Tailored CD approaches will catalyze the strengthening of CRM and institutional risk management in the region.

This project intends to support the creation of a community of practices with the participating countries that have requested CD in risk management. A subgroup of this community will interact with peers that are in similar stage and focusing on similar actions, and CARTAC will provide support to a smaller number of countries in development and implementation of their CRM framework. Figure 1 provides the framework for the three groups. The intermediary and implementation groups will be determined at the end of the first regional workshop.

CARIBBEAN COUNTRIES

Figure 1. Group Framework



In particular, CD activities will focus on:

- Delivering workshops to the participant countries to (i) increase awareness, acceptance, and incorporation of risk management in revenue administrations;
- Establishing a community of practice with tax officials working on CRM from the participant countries;
- Implementing peer-to-peer activities to leverage CRM in the region for a subgroup of countries in similar stages and working with similar matters – for example, data exchange between tax and customs administrations and analysis of the results;
- Improving the use of digitalization ICT strategies and tools to enhance CRM;
- Enhancing identification, assessment, mitigation, and management of compliance risks – CD to support the development of CRM methodologies in a smaller group of participating countries;
- Building compliance improvement programs.
- Ensuring alignment of the institutions with CRM practices.

Expected Results (outcomes)

It is expected that if revenue administrations implement a compliance risk management framework or strategies, this will lead to a more effective and efficient administration, resulting in improved compliance, increased revenues, and better taxpayer outcomes. This is leading to corporate priorities are better managed through effective risk management through; (i) improved identification, assessment, ranking and quantification of compliance risks; (ii) better mitigation of risks through a compliance improvement program; and (iii) improved monitoring and evaluation of compliance risk mitigation activities.

In addition, the following results are also expected: (i) modernized revenue administrations; (ii) risk-based revenue administration organizations; (iii) broader, simplified, and streamlined services to taxpayers; (iv) data-driven and simplified tax systems; and (v) more transparent, accountable, and professional revenue administrations.

CARIBBEAN COUNTRIES

IV. ORGANIZATIONAL ARRANGEMENTS

A. Country Engagement

Caribbean countries have achieved remarkable success benefiting from FAD support. FAD has received an average of 6 CD requests for strategic CD each year (seven requests were made during the 2024 Spring Meetings). These CD activities have been funded by CARTAC but led by FAD in HQ. This is not an ideal situation since it can affect the effectiveness of the CARTAC work plan and create a dependency by HQ on CARTAC financing. Over the last three years, Jamaica and St. Lucia each received a TADAT assessment and a post-TADAT strategic mission; Belize and St. Vincent and Grenadines have benefited from joint tax and customs CD missions led by FAD HQ; while Barbados and Trinidad and Tobago benefitted from a FAD-HQ-led strategic mission and Suriname a TADAT assessment and two HQ-led strategic missions on VAT implementation. Nonetheless, FAD has not been able to meet all the CD requested by these small states—two countries have not had a strategic intervention for over ten years, and some countries have been waiting for two or three years, due to a lack of funding and because of their income grouping, and ineligibility to previously established thematic funds, which ignores the challenges of small states.

Based on the long history of Caribbean countries and territories' engagement with FAD and the pending backlogged requests, this project will better integrate the work of HQ and CARTAC. Even with the advances, most of the countries have a considerable way to go to modernize revenue administration, including: (i) appropriate institutional settings and organizational structures; (ii) better identification, assessment, mitigation and management of institutional and compliance risks; (iii) increasing third-party data gathering and matching; (iv) improving the use of digitalization ICT strategies; (v) supporting modernized HR policies and proceedings; (vi) enhancing reform and strategic management models; (vii) stronger transparency and accountability standards; and (viii) improved trade facilitation. Authorities have continuously requested support to further enhance revenue administration in these areas.

B. Delivery Modalities

CD will comprise of a mix of remote and in-person activities. Virtual deliveries will be used to provide efficiencies to on-the-ground support, including pre-engagement meetings and post-follow-up meetings. The following CD activities will be delivered as a package:

- The project will commence with a regional workshop—outline the program's objectives, expectation and mode of deliverables; countries presentation on their CRM program, challenges being faced and areas of needs.
- Emanating from the workshop, decisions are to be made on which countries to be supported (i) thru peer-to-peer, (ii) receive direct HQ-mission, (iii) need immediate short-term expert (STX) support; and (iv) the remaining countries to be supported thru follow up workshops or to receive direct support in the next phase either from an STX or HQ mission before the engagement of an STX.
- Specific country project will be developed for countries identified for HQ strategic support and submitted for endorsement of the GPFP Steering Committee, in the case country-specific support arises from the learnings of this project.

CARIBBEAN COUNTRIES

For greater clarity: HQ will be responsible for providing strategic deliverables—this includes leading on regional workshops, peer-to-peer assignments, and HQ-led mission, while CARTAC will be responsible for implementation.

- **HQ roles and responsibility:** Regional Remote Workshops – To establish a community of practices on CRM, discuss tailored projects for SDS on risk management, study successful cases, strengthen data analysis in the region, and overall risk management framework.
- **Peer-to-peer (P2P):** Engagements designed for project beneficiaries to exchange their views and experiences implementing CRM, providing opportunities for the beneficiaries to observe practices adopted by other countries in the region.

CARTAC's roles and responsibility

- Remote and in-person STX visits to help implement the recommendations delivered by the HQ engagements, this includes previous country specific HQ missions or a TADAT assessment; a limited number of STXs will be assigned to provide specialized assistance in specific areas of revenue administration.

C. Coordination / Cooperation

This proposal reflects FAD's assessment of specific needs to enhance revenue administration performance in Caribbean countries. In the context of demand-driven CD, FAD has a comprehensive understanding of the broader CD landscape and the partner country's CD and reform history. To prevent duplication and to promote a coordinated approach to CD, it is crucial to understand past, current, and planned CD efforts of all Donor Partners and stakeholders. FAD has a long-standing track record of coordination with Inter-American Development Bank (IADB), Inter-American Center of Tax Administration (CIAT), Organisation for Economic Co-operation and Development (OECD), United States Agency for International Development, and other CD partners in the region. Historically, TADAT assessments comprise of integrated teams (recent examples are Jamaica and Suriname). Complementary CD has been delivered such as to the Belize Tax Service Department (BTSD) by the IMF and the IADB to support operations and tax reform. The IADB is funding Suriname's revenue administration reform with FAD being a key supporting partner. This collaboration and coordination with other DPs and stakeholders occur through bilateral and already established arenas such as the Platform for Collaboration on Tax (PCT) to build synergies and avoid overlap in the provision of CD, with the full approval and support of the country's authorities.

In this regard, the project will not include components on areas covered by partners. Currently, only Suriname has medium-term support from the IADB. Others such as USAID, CIAT provide support as needed. Regular meetings, report sharing, and mutual support will be agreed to keep synergies and avoid overlap of CD.

CARIBBEAN COUNTRIES

V. RISK ASSESSMENT AND MITIGATION

General or Module	Description	Risk Assessment	Mitigation Measures
External climate/conditions			
General	External shocks (social. Political, economic, etc.) impact government revenue and expenditures.	Medium	Work with the IMF country teams and other IMF departments to analyze emerging fiscal risks and propose potential fiscal policies to minimize fiscal risks.
General	Climate-related disasters affecting fiscal balances	Very High	Support enhanced resilience in the revenue administration institutions and help build solid fiscal positions.
RM III	Government revenue measures adversely impact the tax ratio.	Medium	Work with country teams and authorities to monitor revenue measures and their impact on the tax ratio and propose reforms to boost the tax ratio.
Political Support			
RM III	Lack of political support to ensure the autonomy needed to mobilize revenue collection.	Medium	Close consultation with the country team to assist authorities in recognizing the relevance of reforms.
Management and Technical Staff Support and Commitment			
RM III	Outdated practices to select senior staff and lack of meritocracy.	High	Establish merit-based selection processes to hire senior staff with adequate skills.
Resource Adequacy			
RM III	Deficient transparency and accountability in the revenue administration.	Medium	Development of reform projects approved by higher-level authorities, with clear objectives, outcomes, and milestones monitored by these authorities.
RM III	Lack of quantity or skilled staff	Medium	Establish tailored frameworks for small states. Close consultation with authorities to ensure resource adequacy.
General	Inability to retain trained staff	High	Institute a program of “train the trainers” as part of the CD delivery
Other risks			
General	Slow implementation of reforms	Medium	Aligning reforms timeline with conditions in the field – low capacity and lack of resources Close monitoring and readiness to adopt necessary changes.
RM III	Overlap of reforms with other development partners	Low	Coordinate reforms with major development partners.

CARIBBEAN COUNTRIES

Assumptions: The project cannot minimize political and macroeconomic risks; however, it will consider the specific national circumstances when designing the activities and proposing recommendations. The project will focus on strategic advice, while hands-on capacity building will be delivered by CARTAC. The IMF will establish mechanisms for ongoing coordination among capacity-building providers to ensure the exchange of information and coherent advice. Meeting these partners in-person or online, sharing reports, and keeping a permanent exchange of information are envisaged throughout the project. Flexibility in terms of CD modalities (remote and in-person HQ missions, staff visits, STX visits, and workshops), timing, and intensity of the activities will allow the project managers to adapt to changing circumstances. Country's authorities and donors will be consulted in case major changes in the project are needed.

VI. CD DELIVERY PLAN

Tables 2 and 3 outline the total initiatives of the overall project. However, the primary activities under this GPFP project are the regional workshops and peer-to-peer engagements. With respect to HQ CD missions and STX assignments, these will be submitted in future GPFP country-centric projects.

Table 2. Summary of Indicative CD Delivery

CD Modalities	Total FY25	Total FY26	Total FY27	Total FY28	Grand Total
Revenue / Revenue Administration					
HQ-led CD mission	3	3	3	3	12
Remote Workshops and Seminars	2	2	2	2	8
Peer-to-peer engagement	2	2	2	2	8
In-person STX visits	3	3	3	3	12
Remote STX visits	3	3	3	3	12

Note: Collectively, the blend of CD delivery proposed over the duration of this project/program reflects the optimal balance of in-person, remote, and hybrid activities needed to achieve the project/program outcomes, taking into account the needs of the country and the resources available.

Table 3. First year workplan

Timing	CD Delivery	Proposed Topics of CD
FY25 – Q2	Remote Workshop	Strengthening governance and management arrangements
FY25 - Q3	Peer-to-Peer engagement	Strengthening governance and management arrangements
FY25 – Q3	Remote Workshop	Strengthening governance and management arrangements
FY25- Q4	Peer-to-Peer engagement	Strengthening governance and management arrangements

Complementary country-specific CD activities will be required for the success of the reforms pursued in revenue administration in Caribbean countries. The annual workplan will be complemented by at least 3 HQ-led and 3 STX CD activities to take forward the reform priorities within the countries to be members of the community of practice.

CARIBBEAN COUNTRIES

VII. PROGRAM FINANCIALS

Tables 4 and 5 set out the costs for primary project (regional workshops and peer-to-peer engagements) and for the overall project, which includes HQ missions.

Table 4. Costing of the Regional workshops and Peer-to-Peer Engagements

	FY25	FY26	FY27	FY28	Total
RM – II Revenue Administration	\$105,269	\$113,802	\$123,006	\$171,851	\$513,928
Subtotal	\$105,269	\$113,802	\$123,006	\$171,851	\$513,928
Trust fund management fee (7%)	\$7,369	\$7,966	\$8,610	\$12,030	\$35,975
Total	\$112,638	\$121,768	\$131,616	\$183,881	\$549,903

The estimated budget for this four-year project is \$549,903 but endorsement is requested for \$112,638 for FY25.

Country-specific follow-up activities will result from the CD provided under this proposal. It is expected that at least three HQ-led CD and three STX activities will be required on a yearly basis to support reform momentum arising from the workshop and peer-to-peer engagements.

The estimated annual cost of these country-specific engagements is approximately \$500,000 and their endorsement will be requested at a later date through a separate country-specific project, once beneficiaries have been identified and funding for the program is secured.

VIII. TARGETED LOGICAL FRAMEWORK

A. RM II – Revenue Administration

Objective	
Strengthened revenue administration management and governance arrangements	
Outcome	Indicator(s)
Corporate priorities are better managed through effective risk management.	Better identification, assessment, and mitigation of institutional risks (TADT POA2-6)
	Better mitigation of risks through a compliance improvement program TADAT POA2-4)
	Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)
	Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)