

FIFTH SUMMIT OF HEADS OF STATE AND/OR GOVERNMENT OF THE STATES,  
COUNTRIES AND TERRITORIES OF THE ASSOCIATION OF CARIBBEAN STATES

DRAFT STRATEGIC DOCUMENT – Annex V

**INPUT  
SPECIAL FUND**

## SPECIAL FUND

### **Background**

As stated in Article XIII of the Convention, the Special Fund was established "for the purpose of financing programmes of technical cooperation and related research consistent with the purposes and functions of the Association".

As such the Special Fund has maintained its objective as coordinating efforts to manage the distribution and financing of projects aimed at fostering regional cooperation among ACS Members and consequently facilitating integration in the Greater Caribbean region.

### **Status of the Special Fund since the IV Summit (2006-2008)**

During the period 2006 - 2008, there was an increase in project mobilisation and project activity.

- Since the 4<sup>th</sup> Summit of Panama on 29 July 2005 the Council of National Representatives of the Special Fund, Nicaragua experienced new life and dynamism, in accordance with the directions defined by the Heads of State and Government.
- The Regulation of the Special Fund document was revised and approved in 2006.
- Technical Assistance was received from France and the Regional Council of Martinique, to support the Association's efforts in project management and resource mobilisation.
- A series of Co-operation Agreements was signed between the ACS and the Republic of Korea, the Republic of Turkey and the United Kingdom.
- Modest donations were received from donor organisations and Observer Countries in the amount of approximately US \$0.9 million to finance projects.

### **Status of the Special Fund (2009-2012)**

During the period 2009-2012, the continuity of projects and effective resource mobilization strategies of the CNRSF was hampered by the absence of a project manager to administer the Fund.

- The CNRSF has been the recipient of Funds mainly from the Republic of Turkey and Korea towards various projects as well as the Regional Council of Guadeloupe and the Kingdom of the Netherland Antilles.
- Technical Assistance was received from the Regional Council of Guadeloupe to support the Association's efforts in the development of the new ACS website.

- The first Audit of the Special Fund was executed in 2011 for the period 2009 – 2010.
- The Secretariat received €200,000.00 in 2012 from the French Development Agency towards the execution of various projects.
- In July 2008, ECLAC on the request of the Secretariat produced a very important report on the results and challenges associated with the activities of the Special Fund, highlighting the following:

“Our investigation revealed a number of inefficiencies in the present operational and project management capacity of the Association, including its technical support function for the organisation’s resource mobilisation initiative, in the following areas:

- a. Governance arrangements of the SF;
- b. Management of the project cycle
- c. Execution of externally-funded projects; and
- d. Identification of new, non-conventional sources of funding.”

### **Proposals**

- 1) The Association’s limitations in implementing a feasible resource mobilisation strategy and obtaining adequate extra-budgetary resources over the last 3 years, particularly since 2009, was perhaps one of the greatest obstacles to achieving high impact results, which has negatively affected the political development of the Association’s image, resulting in a vicious circle when attempting to attract new resources.
- 2) The 17<sup>th</sup> Ordinary Meeting of the Ministerial Council in Agreement 13/12 agrees to ‘To instruct the Secretariat to give consideration to hiring a project manager to take charge of the operations of the Special Fund, in accordance with the budgetary capacity of the organization.’
- 3) It is necessary to source technical and South-South co-operation, whose importance is essential for the development and management of regional co-operation initiatives.