

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	REGIONAL/CCB - Caribbean Group
▪ TC Name:	Unleashing New Avenues for Growth by Tackling Opportunities in the Blue Economy
▪ TC Number:	RG-T3342
▪ Team Leader/Members:	Stevenson, Claudia (IFD/CTI) Team Leader; Schmid, Juan Pedro (CCB/CCB) Alternate Team Leader; Alleng, Gerard P. (CSD/CCS) Alternate Team Leader; Von Horoch, Jorge Luis (CCB/CCB); Benavente, Jose Miguel (IFD/CTI); Dohnert De Lascurain, Sylvia Eva (IFD/CTI); Lopez de Valles, Maria Fernanda (IFD/CTI); Grant, Kayla Sharee (IFD/CTI); Anta, Rafael (EVP/EVP); Saavedra, Jose Jorge (CCB/CCB); Navarro, Juan Carlos (IFD/CTI)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	01 Aug 2018
▪ Beneficiary:	The Bahamas, Barbados, Guyana, Jamaica, Suriname, and Trinidad and Tobago
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	\$ 600,000.00
▪ Local counterpart funding:	\$ 0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	Competitiveness, Technology and Innovation Division
▪ Unit of Disbursement Responsibility:	Country Office Barbados
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation ; Economic integration

### II. Objective and Justification

- 2.1 The objective of this Technical Cooperation is to support policy action conducive to growth acceleration in the Caribbean by enhancing the economic potential of the Blue Economy under a sustainable growth framework.
- 2.2 The economies of the Caribbean are small, open economies that depend mainly on tourism or on the exploitation of natural resources and that show persistent sluggish growth rates over time. When comparing the performance of the Caribbean private sector to that of the Rest of Small Economies (ROSE), the Caribbean's performance is lackluster, particularly with respect to productivity . Caribbean firms face challenges to scale up and to innovate, as they face: (i) small domestic markets; (ii) high vulnerability to external shocks; (iii) difficult geographic conditions; (iv) an inadequate Business and Innovation Climate; (v) weak institutions; and (vi) an inadequately trained labor force. Small island states in the Caribbean face further structural limits to growth due to their small size (in terms of both land and population) and geographical and logistic challenges of being surrounded by water.
- 2.3 The oceans contribute between US \$1.5 trillion and US \$3 trillion each year to the global economic activities and its contribution is expected to increase in the medium to longer term. The "Blue Economy" is an evolving concept that takes a step further than the

Ocean Economy in its recognition of the need to not only maximize the economic potential presented by the ocean spaces but to also preserve the health, attributes, and environmental sustainability of the ocean's natural assets (OECD 2011). In this regard, the Blue Economy can be defined as economic activity that directly or indirectly uses the sea in a sustainable manner as a factor of production for intermediate or final goods and a platform for development. As a result, the blue economy supports economic growth, environmental and ecological sustainability, social inclusion, the strengthening of oceans ecosystems and innovation.

2.4 (See EZ-Share Link in Comments section for full Justification)

### III. Description of Activities and Outputs

- 3.1 Component 1. Information and Data Generation for Informed Decision Making. This component includes: (i) the valuation of the Marine space as a factor of the productive function of the countries; (ii) data collection; (iii) identification of current research trends in the blue economy topic both in the region and outside the region and identify a research agenda for the Caribbean, focusing on key technological trends in the industry relevant and with potential application for the Caribbean.
- 3.2 Component 2. Prospective Studies on Global Industrial and Technological Trends in the Blue Economy and Policies to Promote Growth in the Caribbean. This component will: (i) identify the main global trends and economic activities that comprise the Blue Economy industry, (ii) determine its growth potential and its applicability for the Caribbean including a gap analysis on the factors that prevent its full exploitation; (iii) prospective studies of it's the potential for the Caribbean and the current gaps that limit its full exploitation and (iv) identify the main technological advances that could disrupt the ocean economy and generate new lines of activities, (v) identify country-specific sectors with the greatest economic potential and the development of supportive policy recommendations for addressing bottlenecks to growth of these identified Blue Economy sectors, and (vi) the regulatory, safeguard and environmental framework that Caribbean need to maximize the economic potential while protecting the ocean environment.
- 3.3 Component 3. Dialogue and Stakeholder Sensitization. This component will include: (i) the Identification of the main stakeholders that are part of the Blue Economy, including public and private institutions as well as civil society, and prospective domestic and foreign investors; (ii) propose coordination mechanisms to be able to develop a regional Blue Economy technological agenda and (iii) engage in dialogue, awareness and diffusion with key stakeholders.
- 3.4 **Component I: Information and Data Generation for Informed Decision Making.** This component will collect and dissemination data on the blue economy to support informed decision making.
- 3.5 **Component II: Prospective Studies on Global Industrial and Technological Trends in the Blue Economy and Policies to Promote Growth in the Caribbean.** This component will analyze data and conduct research to support the development of country specific policy action plans for Blue Economy growth in sectors with high economic development potential.
- 3.6 **Component III: Dialogue and Stakeholder Sensitization.** This component will design and implement a dissemination strategy to encourage dialogue and stakeholder knowledge of the blue economy and its opportunities for growth.

#### IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Information and Data Generation for Informed Decision Making	\$ 250,000.00	\$ 0.00	\$ 250,000.00
Prospective Studies on Global Industrial and Technological Trends in the Blue Economy and Policies to Promote Growth in the Caribbean	\$ 250,000.00	\$ 0.00	\$ 250,000.00
Dialogue and Stakeholder Sensitization	\$ 100,000.00	\$ 0.00	\$ 100,000.00

#### V. Executing Agency and Execution Structure

- 5.1 The execution of the TC will be carried out by the Inter-American Development Bank through the Competitiveness, Innovation and Technology Division (CTI) and its Country Department Caribbean (CCB). The Unit of Disbursement Responsibility will be the Country Office Barbados which will be in charge of the selection and hiring processes of respective consultants, with the technical support and participation from CTI/IFD and in accordance with the policies and procedures in force at the Bank.
- 5.2 The execution of the TC will be carried out by the Inter-American Development Bank through the Competitiveness, Innovation and Technology Division (CTI) and its Country Department Caribbean (CCB). The Unit of Disbursement Responsibility will be the Country Office Barbados which will be in charge of the selection and hiring processes of respective consultants, with the technical support and participation from CTI/IFD and in accordance with the policies and procedures in force at the Bank.

#### VI. Project Risks and Issues

- 6.1 This is a low risk TC. The main challenge has to do with ensuring that the content of the knowledge products and activities is relevant for our clients in the region. This risk will be mitigated by engaging in early and constant dialogue with key stakeholders involved in the Blue Economy at the early stage of execution.

#### VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "undefined".