

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	BARBADOS/CCB - Caribbean Group
▪ TC Name:	Sustainable Development Planning
▪ TC Number:	BA-T1076
▪ Team Leader/Members:	Rajack, Robin Michael (CSD/HUD) Team Leader; Lewis, Gilroy Francis (INE/WSA) Alternate Team Leader; Chakalall, Yuri (CSD/RND); Alleng, Gerard P. (CSD/CCS); Avila, Francy Dianela (CSD/HUD); Archer-Headley, Janette (CCB/CBA); Guzman Osorio, Jessica (CSD/HUD); Gonzalez Herrera, Beatriz Maria (CSD/HUD)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	09 Jul 2020
▪ Beneficiary:	Government of Barbados
▪ Executing Agency:	Ministry of Economic Affairs and Investment (MFEI)
▪ IDB funding requested:	US\$300,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Firms; Individuals
▪ Prepared by Unit:	CSD/HUD - Housing & Urban Development
▪ Unit of Disbursement Responsibility:	CCB/CBA - 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:	Social inclusion and equality; Institutional capacity and rule of law; Environmental sustainability

### II. Objective and Justification

- 2.1 The objective of this Technical Cooperation is to support the design and initial implementation of regulatory and institutional reforms of the Government of Barbados aimed at promoting sustainable development in areas that include development planning, resilient construction, and water resource management.
- 2.2 Sustainability implies adequately considering medium to long-term economic and financial, environmental, social, and institutional impacts as well as feasibility when planning, designing, constructing, operating, and decommissioning systems and investments. In Barbados, Sustainability is particularly important for three primary reasons. Firstly, most of the productive assets and attractive prospective development opportunities are coastal in location, requiring a careful approach to coastal zone land management, on the one hand, and assessing and managing environmental risks, on the other. Secondly, the island is a water-scarce territory with most of its potable water supply derived from groundwater, requiring strategic management of stormwater and groundwater contamination risks associated with human activity. Thirdly, the country is exposed, like other Caribbean countries, to increasing natural hazard and climate change risks, requiring deliberate attention to resilience and disaster risk policies to safeguard lives, investments, and the economy.
- 2.3 In Barbados, the current stage of transitioning to a more sustainable path, is being operationalized through the Government's flagship Roofs to Reefs Program (R2RP), which is a holistic, integrated, national initiative based on the principles of

sustainable development and climate change resilience. There are two (2) main elements of the program: (i) investments in increasing resilience and sustainability in the built environment and coastal zone, water resource management, and other natural capital systems, as well as measures to improve the country's ability to recover quickly post-disaster; and (ii) a shift to 100% renewable energy and carbon neutrality by 2030 – an agenda that is being actively supported by the Bank. The R2RP, whose Concept Note was formally approved by the Cabinet in December 2019, provides an overarching framework to address the country's major challenges in key sectors as a response to the impacts of climate change.

- 2.4 For the accomplishment of the R2RP, a range of regulatory provisions need to either be created or amended as well as the changes duly discussed and socialized with the population. That Government's reform agenda is being supported by a Policy-Based Programmatic Loan (PBP), the "Sustainable Development Policy Program" (BA-L1048), that was approved in March 2020. The second loan in that Program of three (3) loans is anticipated to be approved in 2021. This TC, alongside other operations in execution (ATN/MC-16236-RG; ATN/CO-17589-BA; and ATN/OC-17333-RG) and under preparation (most notably, BA-T1068) are designed to support the fulfillment of prospective triggers, particularly for the second operation as identified in the Policy Matrix of BA-L1048. This TC supports the reform agenda for spatial planning, development control, and water-resource management. The TCs mentioned above support complementary reforms in the areas of natural asset and disaster risk management.

### III. Description of Activities and Outputs

- 3.1 **Component I: Integrating Sustainability into the Regulatory Processes and Practices of Physical Planning and Development.** Specific activities to be funded include: (i) communications campaigns for the new Planning and Development Act (P&DA) of 2020; (ii) formal consultations, revisions, and communications exercises for the Physical Development Plan Update; (iii) drafting of Regulations for the P&DA; (iv) drafting a Policy on Retrofitting of Homes; and (v) development of a technological solution for receiving electronic applications for planning permission.
- 3.2 **Component II: Integrating Sustainability into Water Resource Management.** Specific activities to be funded include: (i) consultations and drafting of the Water Protection and Land Use Zoning White Paper; (ii) consultations and development of legislative guidelines for a Water Reuse Bill; (iii) consultations and development of legislative guidelines for a Solid Waste Management bill; (iv) communications campaign on the updated Stormwater Management Plan; and (v) stakeholder consultations and drafting of Regulations for Rainwater Harvesting.

### IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Integrating Sustainability into the Regulatory Processes and Practices of Physical Planning and Development	US\$150,000.00	US\$0.00	US\$150,000.00
Integrating Sustainability into Water Resource Management	US\$150,000.00	US\$0.00	US\$150,000.00
<b>Total</b>	<b>US\$300,000.00</b>	<b>US\$0.00</b>	<b>US\$300,000.00</b>

## **V. Executing Agency and Execution Structure**

- 5.1 The Executing Agency (EA) for this TC will be the Ministry of Finance, Economic Affairs, and Investment (MFEI). The EA will procure goods, works, services, and consulting services according to the Policies for the Procurement of Goods and Works Financed by the Inter-American Development Bank (document GN-2349-15), the Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank (document GN-2350-15), and other internal Bank procedures. Within the MFEI, the proposed R2RP Development, Management, and Coordination Unit (R2RP-U) will be responsible for the administration of the procurement of the consulting services. It is expected that this Unit's capacity will be further developed through participation and review of the consultancy activities of this TC.
- 5.2 The organizational structure of the R2RP-U for the implementation of this TC will have the following three primary responsibilities: (i) Project/Program Execution; (ii) Administration; and (iii) Project Development and Coordination. Most of the posts for the first two of these responsibilities exist, while the last one is entirely new. The R2RP-U is to be supported in an advisory role by an existing inter-ministerial Climate Finance and Climate Strategy Technical Working Group chaired by the Minister in the MFEI, and consisting of senior technical officers from eight relevant Ministries (including the Ministry of Environment and National Beautification; the Ministry of Housing, Lands and Rural Development; and the Ministry of Maritime Affairs and the Blue Economy; among others) as well as the Barbados Water Authority (BWA), and the Department of Emergency Management (DEM).
- 5.3 In December 2019, when the Cabinet approved the R2RP Concept, it simultaneously authorized the formation of the R2RP-U. The positioning of this Unit under the MFEI is strategic, given the cross-sectoral nature of the R2RP. The MFEI coordinates the national budget and competing demands of all Ministries and therefore has the convening authority to facilitate inter-sectoral cooperation and coordination. MFEI is also home to Town and Country Development Planning Office, which is charged with coordinating development planning for the entire country, a key component of sustainable development, the focus of this TC.
- 5.4 The MFEI is also the focal point of the Government of Barbados for all international assistance, whether loans, guarantees, grants, or technical support. It is thoroughly familiar with the operational policies and regulations of the IDB and has a successful track record of serving as the EA for past technical cooperation exercises. It also has a keen awareness of the facilitating role that TCs can play in subsequently fostering successful investments since through its Public Investment Unit (PIU) it is involved in hosting all operational missions of development agencies (most notably the IDB, Caribbean Development Bank, CAF, and the European Union) for investment operations. The MFEI served as the focal point for the preparation of the Sustainable Development Policy Program (BA-L1048), to which this TC is mostly aligned, and is therefore thoroughly familiar with the reform agenda that it aims to support.

## **VI. Project Risks and Issues**

- 6.1 The main risks for this TC execution and the achievement of its objectives are the potential under-resourcing of the R2RP-U and inadequate inter-sectoral coordination. The former is mitigated by a significant reliance on existing posts, which do not require a new budget. Resources from this TC will also be utilized to finance some of the initial capacity needs. As discussed earlier, the risk of inadequate inter-sectoral coordination is mitigated by the convening power and budgetary authority of the MFEI. This authority proved to be adequate in achieving the policy reforms for the first loan in the

PBP (BA-L1048). The Government invested significant political capital in the R2RP as the backbone of its development agenda and is likely to do what is necessary to fulfill the objectives of this TC that is so closely aligned to that Program.

## **VII. Environmental and Social Classification**

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