**Save Technical Cooperation Document**

1. **Basic Information for TC**

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| * Country/Region: | BARBADOS |
| * TC Name: | Strategic Roadmap for the Blue Economy in Barbados |
| * TC Number: | BA-T1063 |
| * Team Leader/Members: | Alleng, Gerard P. (CSD/CCS) Team Leader; Angel Gomez, Angelo Eduardo (CSD/CCS); Centeno Lappas, Monica Clara Angelica (LEG/SGO); Ceva Alvarez, Mariana Daniela (CSD/CCS); Cox, Shameka Tameisha (IFD/CTI); Franklyn, Russell Levon (IFD/CTI); Gomez, Juan Carlos (CSD/CCS); Grant, Kayla Sharee (IFD/CTI); Kaufmann, Jorge (IFD/ICS); Pereira, Stefano (IFD/CTI); Perfit, Janine Tina (IFD/ICS); Pilgrim, Valarie (IFD/CTI); Stevenson, Claudia (IFD/CTI); Valero Freitag, Sara (CSD/CCS); Watson, Gregory (CSD/CSD) Alleng (CSD/CCS) Team Leader; Angelo Angel (CSD/CCS); Monica Centeno Lappas (LEG/SGO); Shameka Cox (IFD/CTI); Russel Levon (IFD/CTI); Juan Gomez (CSD/CCS); Sharee Grant (IFD/CTI); Jorge Kaufmann (IFD/ICS); Janine Perfit (IFD/ICS); Valerie Pilgrim (IFD/CTI); Claudia Stevenson (IFD/CTI); Sara Valero (CSD/CCS); Gregory Watson (CSD/CSD); Mariana Ceva (CSD/CCS). |
| * Taxonomy: | Client Support |
| * Operation Supported by the TC: | N/A |
| * Date of TC Abstract authorization: | 09 May 2019 |
| * Beneficiary: | Ministry of Maritime Affairs and the Blue Economy, Government of Barbados |
| * Executing Agency and contact name: | Inter-American Development Bank (IDB) |
| * Donors providing funding: | Compete Caribbean Partnership Facility(CCP) |
| * IDB Funding Requested: | US$300,000.00 |
| * Local counterpart funding, if any: | US$0 |
| * Disbursement period (Execution period): | 30 months disbursement period, 28 months execution period |
| * Required start date: | September 2019 |
| * Types of consultants: | Firms and Individual Consultants |
| * Prepared by Unit: | CSD/CCS-Climate Change |
| * Unit of Disbursement Responsibility: | CSD-Climate Change and Sustainable Development Sector |
| * TC included in Country Strategy: | Yes |
| * TC included in CPD: | No |
| * Alignment to the Update to the Institutional Strategy 2010-2020: | Productivity and innovation; Institutional capacity and rule of law; Environmental sustainability |

1. **Objectives and Justification of the TC**
   1. The ocean covers more than 72% of the earth’s surface and is responsible for 80% of global trade, 32% of hydrocarbons extracted for energy needs, and for both domestic and international tourism for almost 200 countries and overseas territories. Conservative estimations of the contribution of the ocean economy to global value added are in the order of US$1.5 trillion annually, or roughly three percent of global value added. Since Rio+20, the blue economy has been gaining momentum as coastal and island nations are looking at the ocean as the next frontier for economic development. An ocean-based approach to growth not only offers marine and coastal resources, but a way to boost growth and resilience to climate change, as well as tackle key challenges related to high unemployment, food insecurity and poverty.
   2. Barbados faces traditional challenges related to its limited economic diversification, fiscal fragility and susceptibility to the impacts of climate change such as hurricanes, sea level rise and increased temperatures. The pervasive nature of a lingering recession demanded the government to be more strategic in its programs and policies. Recent times have seen the emergence of new and more potent threats related to climate change and the ferocity of its consequences, including the influx of sargassum seaweed on many of the islands’ beaches. This has reinforced the need to think blue. In response to this and other related challenges, the Prime Minister announced the creation of a Ministry of Maritime Affairs and the Blue Economy (MMABE) when she took office in early 2018[[1]](#footnote-2). Even though Barbados is a relatively small island, its maritime space is over 400 times bigger —covering 183,436 km2—, representing an opportunity that could be utilized in a sustainable way to advance the economic interest of the country, while it simultaneously protects its environment. In spite of the fact that certain aspects of the blue economy traditionally have been part of Barbados’s socio‑economic landscape (e.g., tourism activities, fishing and seaport services), the blue economy as an economic sector remains underdeveloped, fragmented and unexplored.
   3. To tackle the latter issues, and in line with Sustainable Development Goal 14[[2]](#footnote-3), Small Island Developing States are rethinking how their societies interact with the vast economic development space around them in order to generate new avenues for economic growth whilst ensuring the sustainability of the ecosystem’s health and value. A focus on the blue economy offers opportunities for Barbados to diversify its economy into new emerging ocean-based activities and sectors and to generate employment and growth while ensuring a sustainable use of its ocean resources in the future.
   4. The objective of the project is to strengthen the institutional framework for supporting the growth of the blue economy in Barbados. The establishment of the MMABE is a positive advance that shows a strong commitment from the government given the role and mandate of this new ministry. In this line, the government seeks to promote the stimulation of economic growth through the blue economy and a shift towards economic recovery, diversification, and transformation.
   5. This operation is consistent with the Update to the Institutional Strategy 2010‑2020 (AB‑3008) and is aligned with the development challenges of: (i) productivity and innovation, as it aims for the development of new productive sectors within the blue economy in Barbados, while it intends to spur economic growth by diversifying its economic base; and (ii) institutional capacity and the rule of law, since it intends to strengthen the institutional capacity of MMABE to deliver on its mandate. The operation is also aligned with the cross-cutting theme of environmental sustainability, as it supports institutional capacity building that ultimately will help preserve and sustainably utilize the country’s biodiversity and ecosystem services —particularly in the marine environment. Additionally, the operation is aligned with the Corporate Results Framework 2016-2019 (CRF) (GN-2727-6), as it intends to enhance the capacity of the newly created MMABE through the establishment of a policy framework and an action plan that intend to foster new integrated channels for economic growth based on the sustainable use of marine resources.[[3]](#footnote-4)
   6. The project is aligned with the Barbados Country Strategy (2019-2023) (GN‑2953‑1) in its aim to “improve the efficiency of public services in the priority area of integrated coastal zone management and climate resilience”. Moreover, the project is aligned with the priorities of the “Proposal for the Establishment of the Compete Caribbean Partnership Facility” (GN-2851), specifically under the objective of promoting an environment that enables innovation and growth, within the context of stimulating innovation and sustainable use of marine ecosystems that can galvanize entrepreneurial opportunities.
   7. The project is aligned with the Innovation, Science and Technology Sector Framework Document (GN-2791-8) by supporting Latin-American and Caribbean economies in making observable gains to develop the highly skilled human capital necessary to support and further develop their innovation systems. Additionally, the operation is aligned with the Environment and Biodiversity Sector Framework Document (SFD) (GN‑2827-8), as the operation intends to produce sector assessments relevant for stakeholder mapping and gap analyses that will serve as the base for future policymaking, as well as new projects’ design and implementation. This goes in line with Challenge 3 of this SFD which refers to the need for high quality environmental information as input to make sound decisions that complement sustainable economic decisions.
   8. The Climate Change Sector Framework Document (GN-2835-8) mentions that effective legal, regulatory and institutional frameworks are needed to create successful mitigation and adaptation strategies. MMABE has been created to help move Barbados towards low-carbon economic growth and resiliency. The first step in that direction implies the support of the Bank to the country by delivering the specific products that will result from the implementation of this operation.
   9. The TC will complement the IDB’s “Development of the Sustainable Islands Initiative” (ATN/MC-16236-RG/ATN/OC-16237-RG), which seeks to create a platform for assisting island territories in pursuing sustainability through an innovative approach that applies the principles of the Blue and Circular Economy. This TC will also complement the project “Unleashing New Avenues for Growth by Tackling Opportunities in the Blue Economy” (ATN/OC-17047-RG) which has the objective of supporting policy actions that broaden and accelerate economic growth and inclusive development in the Caribbean by enhancing the economic potential of the blue economy under a sustainable growth framework. Lastly, this project will complement other initiatives related to the blue economy in Barbados, such as the United Nations Development Programme’s (UNDP) Blue Accelerator Lab; several Food and Agriculture Organization (FAO)’s projects focused on the fisheries sector, climate resilience and sea-waste management; and the Caribbean Community Climate Change Center (CCCCC)’s project on Support for Conducting Air-Borne Light Detection and Ranging Surveys and Training, currently funded by the Caribbean Development Bank (CDB).
2. **Description of Activities/Components and Budget**
   1. **Component 1. Design of an Integrated Blue Economy Policy Framework and Strategic Action Plan (US$100,000).** This component will finance the development of a vision, policy framework, and workplan with a holistic and integrative approach to Barbados’ blue economy for the MMABE. The following activities will be implemented: (i) a cross-sectoral analysis and mapping of industries and key public sector, private sector and non-state stakeholders and their roles and responsibilities, inter-institutional arrangements, policies, legislation, strategies (including financial), spatial plans, and infrastructure related to the stimulation of the blue economy; (ii) a benchmarking and gap analysis of Barbados’ blue economy against that of global best practices; (iii) an integrated policy framework and strategic action plan/roadmap that will provide a vision and workplan for the MMABE’s, including the identification of strategic themes for the blue economy to guide the ministry’s work over the next three to five years; (iv) a well-defined coordination mechanism that identifies all relevant players for the development of a blue economy in Barbados, given the cross‑sectorial nature of it, and therefore the strong need to ensure stakeholder engagement, information sharing, consultation and coordination. The proposed mechanism will include a complete list of players, including the public and private sectors, the academia and diaspora, among others; and (v) selection and implementation of at least one specific initial intervention based on the recommendations of the action plan to be developed in activity (iii) with the objective of creating implementation momentum for the MMABE in the blue economy context. Potential topics include institutional strengthening, policy, legislative or regulatory reforms, or technical support to develop priority sector studies. The activities under this component will be closely coordinated with a blue economy scoping study currently being undertaken by UNDP’s Blue Accelerator Lab Initiative in Barbados, and the final products will incorporate recommendations and information from this study. Any other relevant activities in Barbados will also be adequately incorporated.
   2. **Component 2. Capacity Building Program (US$120,000).** This component will support institutional capacity building of the MMABE to improve its coordination capacities, implementation of the blue economy roadmap, and ability to support blue growth in Barbados as well as the development of a “Blue Academic Program” for professional development to support the creation of new skills needed for a blue economy. To this objective, the following activities will be undertaken: (i) an institutional capacity and gap analysis, which considers the professional qualifications of the ministry’s staff (including identification of university/professional degrees, experience and qualifications), organizational structure, inter-agency connectivity, technological and technical capabilities, and an analysis of its strengths and weaknesses. This study will include a chapter on recommendations to close the identified gaps and ensure the MMABE improves its capacity in order to effectively perform its role to advance the blue economy agenda of Barbados; and (ii) the development of an academic program and content —including training materials, such as short-term courses on specific topics related to the blue economy[[4]](#footnote-5), massive open online courses (to be hosted at the IDB’s [INDES website](https://cursos.iadb.org/en/course-type/mooc)), recommended readings, among others— in collaboration with the University of West Indies and any other relevant partners.
   3. **Component 3. Stakeholder Sensitization and Communications Program (US$60,000).** This component will finance knowledge generation and dissemination efforts to increase awareness among private and public sector stakeholders on the definition and strategic importance of the blue economy for growth in Barbados. It will also serve to disseminate information on the strategic approach the MMABE is taking to promote the blue economy agenda of Barbados, based on the action plan/roadmap generated under Component 1. Specific activities that will be carried out are: (i) design and implement awareness-raising campaigns, including content and materials; (ii) carry out workshops gathering key stakeholders for consultations, input and dissemination of findings as required by the activities carried out in Components 1 and 2; and (iii) develop strategic publications to disseminate the findings of this TC regarding blue growth for Barbados in collaboration with the teams working on Components 1 and 2.
   4. The expected outcomes of this project are: (i) an improved capacity of the MMABE to lead efforts aimed at expanding the contribution of the blue economy in Barbados; (ii) an improved coordination across country agencies involved in the promotion, coordination and implementation of blue economy related activities; and (iii) an increased awareness among private and public sector stakeholders on the strategic importance of the blue economy as a pillar for growth in Barbados.
   5. The operation will be funded with resources from the Compete Caribbean Partnership Facility (CCP) in the amount of US$300,000.

**Indicative Budget (US$)**

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| --- | --- | --- | --- |
| **Component** | **IDB Funding** | **Counterpart** | **Total** |
| Component 1. Design of a blue economy policy framework and strategic action plan | 100,000 | 0 | 100,000 |
| Component 2. Capacity building program | 120,000 | 0 | 120,000 |
| Component 3. Stakeholder sensitization and communications program | 60,000 | 0 | 60,000 |
| Project administration: midterm and final evaluations | 20,000 | 0 | 20,000 |
| **Total** | **300,000** | **0** | **300,000** |

1. **Executing Agency and Execution Structure**
   1. The IDB will execute this TC through the Climate Change Division (CSD/CCS) in coordination with the Competitiveness and Innovation Division (IFD/CTI) and the Compete Caribbean Partnership Facility, approved under GN-2851. An Operations Analyst will be designated as focal point in the Country Office in Barbados to support the supervision of the project. The main implementation responsibility will fall on the Sr. Climate Change Specialist in CSD/CCS. Also, per Annex 10 of document GN‑2629‑1, the Bank is the proposed executing agency given that it possesses the technical expertise needed to ensure a timely and effective execution of the operation. Furthermore, the MMABE faces the usual challenges of any new institution, which in this particular case exist in addition to the mandate of moving forward all matters related to the blue economy, a topic that is new in its nature. Therefore, the assistance the Bank will offer as the executing agency is crucial for the successful implementation of the TC’s components and the delivery of its proposed products. A letter from the MMABE requesting that the IDB acts as the executing agency has been included in Annex 1 (Request from Client).
   2. The execution period for the operation will be 28 months and the disbursement period will be 30 months. The Climate Change and Sustainable Development Department (CSD/CSD) will take on the role of the Unit of Disbursement Responsibility. All administrative, technical supervision, internal and external coordination and quality review of the final products will be the responsibility of CSD/CCS. In this context, the Bank will hire the services of individual consultants, consulting firms and various expert consulting institutions in accordance with its policies and procedures.
   3. The IDB will follow its procurement policies and guidelines related to hiring processes: (i) individual consultants will be hired in accordance with the guidelines set out in policy AM-650; (ii) consulting firms of an intellectual nature only will be hired in accordance with the “Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work” (GN-2765-1) and its related Operational Guidelines (OP-1155-4); and (iii) logistics and other related services in accordance with the “IDB Corporate Procurement Policy” (GN-2303-20).
2. **Major Issues** 
   1. The government’s capacity to implement the outputs from the operation: a key risk to the blue economy becoming a driver of growth in Barbados is its government’s capacity to implement the action plan developed under this TC. To mitigate this risk, the TC will: (i) improve the institutional capacity within the MMABE to design and implement policies related to the blue economy; (ii) implement at least one action item to stimulate implementation momentum and justify further actions aligned with the Blue Economy Policy Framework and Strategic Action Plan; and (iii) design and implement a mechanism for improving the ministry’s ability to motivate and coordinate stakeholders to action.
   2. Multi-Agency input required: most of the activities in this project will require the input of several governmental entities and stakeholders. To mitigate this risk, all relevant departments and agencies will be included in stakeholder consultations, ensuring frequent and effective communication to maintain cooperation. In addition, a key output of this TC is the design of an effective coordination mechanism to ensure continuous and active participation of relevant stakeholders.
   3. Availability of subject matter experts: the project has multiple elements that require the input of several specialized subject matter experts and in the field of blue economy these may be scarce. To mitigate, the CSD/CCS will ensure that the terms of reference to hire consultants (firms and individuals) in the context of this operation are clearly articulated and disseminated, and that the eligibility of firms and individual consultants is expanded beyond those of member countries of the IDB as specified in Section VI below.
3. **Exceptions to Bank policy**
   1. Given the novelty of the blue economy and the innovative approach that it represents in the context of economic growth for islands, it is expected that the number of specialized firms and individual consultants familiar with this topic will be very limited. In that respect the team will follow the exception request made during the establishment of the Compete Caribbean Partnership Facility to IDB policies GN‑2349‑9 and GN-2350-9 related to the eligibility granted by the Board of Executive Directors so that goods, works, services, and consulting services from non-IDB member countries may be eligible in the procurement processes for activities to be financed entirely with resources from the Facility, provided that the country of origin or nationality of such providers is recognized by the donors of the Facility as eligible (see section 2.24 of GN-2851).
4. **Environmental and Social Strategy** 
   1. Given the nature of the project, there are no associated environmental or social risks. According to the Environment and Safeguards Compliance Policy of the Bank (OP‑703), the operation has been classified as Category “C”, meaning that no environmental assessment studies or consultations are required for this operation (see [Safeguard Policy Filter](https://idbg.sharepoint.com/teams/EZ-BA-TCP/BA-T1059/_layouts/15/DocIdRedir.aspx?ID=EZSHARE-1576555391-2) and [Safeguard Screening Form](https://idbg.sharepoint.com/teams/EZ-BA-TCP/BA-T1059/_layouts/15/DocIdRedir.aspx?ID=EZSHARE-1576555391-3)).

**Required Annexes**

[Request from the Client - BA-T1063](https://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=EZSHARE-1778545525-4)

[Results Matrix - BA-T1063](https://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=EZSHARE-1778545525-7)

[Terms of Reference - BA-T1063](https://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=EZSHARE-1778545525-5)

[Procurement Plan - BA-T1063](https://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=EZSHARE-1778545525-6)

1. The ministry was created in May 2018. [↑](#footnote-ref-2)
2. Conserve and sustainably use the oceans, seas and marine resources for sustainable development. [↑](#footnote-ref-3)
3. CRF Country Development Results Indicator Nº 25: “Government agencies benefited by projects that strengthen technological and managerial tools that improve public service delivery”. [↑](#footnote-ref-4)
4. It is expected that the short-term courses will be taught by the Centre for Resource Management and Environmental Studies at the University of the West Indies (UWI), at Cave Hill Barbados. The team has been in discussions with the management of the centre on this option. It is also expected that the intellectual property rights of the training materials will reside with the Bank as per IDB rules and license will be given to the centre as they will produce and use the materials from their research resources. It is anticipated that the collaboration with the centre will be facilitated under a memorandum of understanding signed between the IDB and UWI (signed August 9, 2018), which allows for the development and sharing of academic and educational content. [↑](#footnote-ref-5)