

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	REGIONAL/CCB - Caribbean Group
▪ TC Name:	Project Development to Enhance Productivity and Innovation and Enabling Business Environment of Blue Economy Industries
▪ TC Number:	RG-T3815
▪ Team Leader/Members:	GRANT, KAYLA SHAREE (IFD/CTI) Team Leader; ALLENG, GERARD P. (CSD/CCS) Alternate Team Leader; BERTRAND, ANNIE (IFD/CTI); DOHNERT DE LASCURAIN, SYLVIA EVA (IFD/CTI); GONZALEZ ALZUALDE, YOHANA BEATRIZ (IFD/CTI); KELLY CASTILLO, EMILY LETICIA (IFD/CTI); ALMEIDA OLEAS, NATALIA (LEG/SGO); MARINEZ, CARLOS SAMIR (IFD/CTI); ELLIOTT, WAYNE ANTONIO (IFD/CTI); ATWELL, KEISHA TAMARA (IFD/CTI); MARIA ALEJANDRA GALEANO (IFD/CTI); GENESIS MORALES (IFD/CTI)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	18 Nov 2020
▪ Beneficiary:	CCB
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$287,640.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	IFD/CTI - Competitiveness, Technology and Innovation Division
▪ Unit of Disbursement Responsibility:	IFD/CTI - Competitiveness, Technology and Innovation Division
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation ; Institutional capacity and rule of law

II. Objective and Justification

- 2.1 The objective of this TC is to provide project capacity development support to Compete Caribbean's beneficiary countries to (i) support gender-inclusive, blue economy cluster and value chains; (ii) stimulate gender-responsive entrepreneurship and innovation in the Blue Economy ; (iii) policy and regulatory reforms related to the blue economy; and (iv) knowledge generation and dissemination on the Blue Economy.
- 2.2 In November 2020, the Compete Caribbean Partnership Facility (CCPF) issued a Blue Economy Cluster Call for Proposals under its Pillar I – 'Productivity and Innovation in Firms'. It sought to support blue economy focused, private sector cluster initiatives that (i) help Caribbean firms grow, generate employment and export to new markets, and (ii) support the Caribbean economies to diversify to better confront the COVID crisis. The CCPF will short-list projects and will support the preparation of these proposals into full project documents that will be eligible for funding through the CCPF.

- 2.3 To convert pipeline projects into fundable proposals, Pillar I will support the eligible countries with preparation of cluster-related Project Concept Notes (PCNs); and Innovation/Action Plans for firms and entities involved in the Blue Economy. CCPF expects to receive pipeline projects for approximately 11 priority blue economy projects, which will be elaborated into detailed project proposals for funding consideration. CCPF project proposals must be results-focused; developed based on consultation with, and inputs from, key stakeholders; reflect a sound understanding of local and regional business environments; and integrate gender and diversity, climate change, and regional integration considerations. Institutional strengthening projects must be based on sound capacity development principles; and all projects must include an explicit sustainability strategy. Given that CCPF is very demand driven, the requests for technical assistance will vary widely according to the priority needs of the beneficiaries. However, the short-listing process, particularly for business climate reforms, included at least one project per country to ensure that the most vulnerable countries receive technical assistance. Under Pillar II, CCPF is engaging in dialogue with institutions responsible for coordinating the development of the Blue Economy towards identifying progress made with creating a more enabling environment, and priority support needs. The dialogue will lead to the identification of a list of potential projects, and the short-listing of four projects for development into detailed proposals for funding consideration. Each project will integrate the strengthening of blue economy related institutions; improving the policy, legislative and regulatory framework; and knowledge generation and information dissemination.
- 2.4 Beneficiary countries lack the capacity to develop projects in accordance with CCPF's eligibility criteria. Some projects require specialized inputs not available in the region. This TC will bridge this capacity gap by contracting specialized consultants to design fundable projects in specific subject areas that cannot be covered by internal resources. This TC will complement ongoing programs aimed at improving the region's project management capacity through a participatory approach that will ensure projects developed represent the priority needs of the intended beneficiaries; will increase local ownership; and facilitate knowledge transfer.
- 2.5 This TC is consistent with the Update to the Institutional Strategy 2010-2020 (AB-3008) and is aligned with the development challenge of productivity and innovation indicated in the Innovation, Science and Technology Sector Framework (GN-2791-3). The Program is aligned with the cross-cutting themes of: (i) gender equality and diversity; and (ii) institutional capacity and rule of law.

III. Description of Activities and Outputs

- 3.1 **Component I: Component I: Project Preparation to enhance productivity and innovation of blue economy industries.** . This component will (i) support clusters and value chains; and (ii) stimulate entrepreneurship and innovation in the private sector. The outputs expected under this component include: six Cluster Development Plans (CDPs) for projects selected competitively via a Call for Cluster proposals; and 5 Innovation/Action Plans prepared for firms and entities involved in the Blue Economy.
- 3.2 **Component II: Component II: Project preparation for Creating A More Enabling Environment for Blue Economy Development.** This component will assist with the development of (i) approximately four project proposals towards the strengthening of two blue economy related institutions; (ii) three improved gender-responsive policies, strategies, legislation, regulations and business processes; and (iii) the generation and the dissemination of data and information. One proposal will be regional and will address the support needs of the OECS Member Countries and the others will be country specific.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Component I: Project Preparation to enhance productivity and innovation of blue economy industries.	US\$255,000.00	US\$0.00	US\$255,000.00
Component II: Project preparation for Creating A More Enabling Environment for Blue Economy Development	US\$32,640.00	US\$0.00	US\$32,640.00
Total	US\$287,640.00	US\$0.00	US\$287,640.00

V. Executing Agency and Execution Structure

- 5.1 The execution of this TC will be carried out by the Bank, through CCPF's Facility Coordination Unit (FCU), working in close collaboration with the relevant IDB specialists and the applicants for funding. For projects that satisfy the screening criteria, CCPF will determine the expertise and effort required to prepare complete project proposals; the contribution which can be made by the FCU team and IDB specialists; and the gap to be filled by external expertise. With respect to the development of KPs, CCPF will prioritize the KPs to be generated; determine the objective and scope of research required; and the external expertise required to conduct the research, generate and disseminate each KP
- 5.2 The execution and disbursement period will be 24 months and the UDR will be IFD. The procurement of individual consulting services will be carried out by the IDB in accordance with Human Resources (HRD) Complementary Workforce Policy (AM-650). The procurement of consulting firms will be carried out by the IDB in accordance with the Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (GN-2765-1). The procurement of consulting services different from consultants will be carried out by IDB in accordance with Corporate Procurement Policy (GN-2303-20).
- 5.3 In accordance with a Financial Agency Agreement signed between the IDB and the Caribbean Development Bank (CDB), the CDB will act as the Financial Agent for the purposes of administering the Facility grant resources that will finance the implementation of individual projects in the Organization of Eastern Caribbean States (OECS).
- 5.4 The Compete Caribbean Partnership Facility (CCPF), approved under GN-2851, was jointly designed with donors to be a Bank Executed Program, through the CCPF's Facility Coordination Unit (FCU) established in COF Barbados. The Bank has demonstrated its ability to coordinate and motivate action across diverse stakeholders at both the national and regional levels.

VI. Project Risks and Issues

- 6.1 The most significant risk to achieving the planned objective is procuring the right consultants with the required blend of knowledge and experience. To mitigate this risk, TORs will be carefully crafted ex-ante, and will clearly outline the required breadth and depth of analysis, and qualifications and experience of the consultant(s). Advertising of the TORs will be done where specialized inputs are required. Also, a team comprising FCU staff and IDB specialists will make technical inputs into the project development process and will review and exercise quality control over the consultants' deliverables.

- 6.2 To ensure that projects developed represent the priorities of the applicants, the consultants are required to actively involve local stakeholders in the project preparation process. FSU will also work in close collaboration with the applicants who will review and provide sign-off on each of the consultant's deliverables.

VII. Environmental and Social Classification

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