#### aide memoire

**Climate Change Policy Based Loan for Trinidad**

#### IDB/ Sustainable Energy and Climate change Unit Special Mission

#### (January 24 - 26, 2011)

1. Background

Pursuant to the interest of the Government of Trinidad and Tobago for the development of a policy based loan (PBL) on climate change, the Sustainable Energy and Climate Change Unit undertook an identification mission to Trinidad and Tobago to engage the GORTT on the development of the proposal for the PBL. This aide-memoire outlines the details of the discussions that took place during the mission and the next steps required to move forward with the provision of the financial assistance from the Inter-American Development Bank.

The mission took place from January 24-26, 2011 in Port of Spain, Trinidad. The mission participants included Mr. Gerard Alleng, Team Leader (INE/ECC), Mrs. Maria Claudia Perazza (INE/RND), Ms. Ana Rios (INE/ECC), Ms. Sara Valero (INE/ECC), Ms. Adriana Jaramillo (CCB/CCB) and Mr. Dale James (CCB/CTT).

During the mission, meetings were held with the following persons:

* Ministry of Finance: The Honorable Mr. Winston Dookeran; Mr. Michael Mendez, Deputy Permanent Secretary.
* Ministry of Housing and the Environment: The Honorable Dr. Roodal Moonilal; Mrs. Joy Creese, Acting Permanent Secretary; Mr. Asgar Ali, Advisor to the Minister; Mr. Kishan Kumarsingh, Head of Multilateral Environmental Agreements Unit; Mr. David Persaud, Environmental Manager, Environmental Policy and Planning Division.
* Ministry of Energy and Energy Affairs: The Honorable Minister Carolyn Seepersad-Bachan; Mr. Leroy Mayers, Permanent Secretary; Ms. Vashti Guyadeen, Advisor to the Minister; Mr. Vernon de Silva, Director Energy Research and Planning Division; Mr. Frank Look Kin, Technical Advisor to the Minister.
* Environmental Management Authority: Dr. Joth Singh, Managing Director/Chief Executive Officer; Mr. David Ramjohn, Executive Technical Assistant to the MD/CEO.
* University of the West Indies: Professor John Agard; Dr. Marlene Attz
* UNDP: Mr. Edo Stork, Deputy Representative UNDP; Ms. Rosemary Lall, Program Officer
* UNECLAC: Mrs. Charmaine Gomes, Sustainable Development Officer
* Delegation to the European Union: Mr. Solomon Ioannou, International Aid/Cooperation Officer European Union

2. Objective

The objective of the mission was to engage in discussions with the Ministry of Finance (MOF), the Ministry of Housing and Environment (MHE) and the Ministry of Energy and Energy Affairs (MEEA) on the development of the policy matrix and the management of the PBL; engage in discussions with the Environmental Management Authority (EMA) on institutional strengthening with regard to climate change; engage in discussions on climate change with the University of the West Indies (UWI); and engage in discussions with members of the donor community on coordination in the area of climate change.

3. Activities

During this mission, discussions were held with key governmental entities (MOF, MHE, and MEEA) seeking to identify the needs and priority areas to put forward the climate change agenda of the country, taking into account the peculiarities of Trinidad and Tobago, as a small state island that is a net energy exporter but is also highly vulnerable to the effects of climate change. In particular, discussions were held with the Ministry of Housing and the Environment to agree on preliminary commitments for the Programmatic Policy Based Loan under consideration. This information will be included in a working draft policy matrix for the first operation of the programmatic loan and will be organized according to three thematic components: policy/institutional framework, mitigation and adaptation. Meetings were also held with the management team at the EMA to discuss the scope of the climate change agenda being pursued by the GoTT and to identify possible implications to the agency’s capacity to adequately address issues related to climate change and environmental management**.**

Finally, a meeting was held with researchers of the UWI - Professor John Agard and Dr. Marlene Attzs, to gather information on research initiatives being undertaken in the country related to climate change. The Mission also met with some of the international agencies within the donor community (EU Delegation in Trinidad and Tobago, UNDP and UNECLAC) so that all parties were up-to-date on what the donor community was undertaking in Trinidad and Tobago and explore the possibility of collaboration between agencies to move towards a joint effort in the country.

4. Key Findings of Mission

The key findings of the mission are as follows:

1. Whereas there is a strong ongoing dialogue on the mitigation agenda for Trinidad and Tobago because of the country’s recognition to embark on a low carbon development path and the benefits that can be derived from participation in carbon markets and investments in energy efficiency measures in particular, the discourse on adaptation is not as advanced. This limited progress to date on adaptation will have implications on the scope of the commitments for the PBL particularly for the first operation.
2. There are two IDB TCs (TT-T1016: Mainstreaming Climate Change into National Development and Capacity Building for Participation in Carbon Markets and TT-T1017: Improving the Delivery of Comprehensive Disaster Management) that can provide support to the development of the components of the PBL and will need to be executed as soon as possible.
3. Various possible benchmarks were identified that could be used to form the basis of what Trinidad and Tobago could commit to in the area of climate change. Some of these benchmarks are the result of initiatives or programs being undertaken by IDB and other international agencies such as UNEP, UNDP or UNECLAC.
4. There is a need for greater collaboration/coordination among the donor community, which has implications for climate change assistance to the Government of Trinidad and Tobago. It was suggested that donors pool resources as a managerial mechanism to help the MHE in coordinating initiatives where there is common interest or scope of operation.
5. There is the need to elevate the climate change agenda to higher level policy forum, such as the establishment of a Committee of the Ministers on climate change and sustainable energy, to facilitate intersectoral collaboration and political commitment to effectively pursue a climate change agenda. This committee could be chaired by the Minister of Housing and Environment. In addition the work of this type of committee would be supported by an intersectoral technical steering committee from key ministries to assist in the implementation of the PBL collaboration. This steering committee should be able to co-opt when needed neutral parties to provide technical input and guidance on the PBL.
6. The National Physical Development Plan has not been revised as yet as required by law but it is imperative within the framework of this PBL that the revision takes place in order to internalize climate change adaptation and disaster risk management. This integration will improve development planning decision making.
7. With regard to the EMA, three main issues were identified in the context of the proposed PBL: (i) the need to strengthen EMA’s coordinating role in mainstreaming environmental management and climate change related priorities into all development sectors in T&T; (ii) the need to improve legislative framework in accordance with the Environmental Management Authority Act, to allow the agency to effectively enforce the provisions under the law, including enactment of pollution rules; (iii) the need to strengthen and streamline environmental assessment processes to better inform the decision making process in development planning.

Next Steps

The following steps are required in order to move forward on the preparation of the PBL and the implementation of TT-T1016, which are:

1. Undertake informational meetings with Ministry of Planning, Economic, Social Restructuring and Gender Affairs, Ministry of Food Production, Land and Marine Affairs and the Tobago House of Assembly to define key elements of the climate change agenda relevant to these entities.
2. EMA will present a proposal to strengthen its capacity and effectiveness in bridging climate change and environmental management.
3. MHE will present final draft policy documents for Forest and Protected Areas policies; the last version of the draft policy on integrated water resources management; and a report on results of public consultation process for 3 policies – climate change, forests and protected areas.
4. The Bank will send by mid-February a draft policy matrix based on the policy agreements reached to date for consideration by the GoTT. The GoTT will review and complete the specific commitments for each programmatic operation to be discussed and agreed upon during the next mission.
5. With regard to moving the process forward for the execution of the technical cooperation TT-T1016 on climate change, the following next steps will be undertaken by the MHE: (i) signature of the legal agreement and fulfillment of the eligibility conditions; (ii) present a list of at least three candidates for the role of project coordinator with CVs for the Bank’s no-objection; and (iii) draft TORs for the studies to be procured with funds from the TC.

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