

CARIBBEAN CLIMATE SMART ISLANDS PROGRAM

RG-T2543

CERTIFICATION

I hereby certify that this operation was approved for financing under the Sustainable Energy and Climate Change Initiative (SECCI-SCI) through a communication dated September 5, 2013 and signed by Gerhard Lair (ORP/GCM). Also, I certify that resources from said fund are available for up to **US\$992,000** in order to finance the activities described and budgeted in this document. This certification reserves resources for the referenced project for a period of four (4) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, for which the Fund is not at risk.

“Original firmado”

12/12/14

Sonia M. Rivera
Chief
Grants and Cofinancing Management Unit
ORP/GCM

Date

APPROVAL

Approved:

“Original firmado”

12/15/14

Nestor Roa, a.i.
Manager
Infrastructure and Environment Sector
INE/INE

Date

TECHNICAL COOPERATION DOCUMENT

I. Basic Information for TC

▪ Country/Region:	Caribbean
▪ TC Name:	Caribbean Climate Smart Islands Program
▪ TC Number:	RG-T2543
▪ Team Leader/Members:	Gerard Alleng (team leader); Sara Valero Freitag; Anaitee Mills; Emiliano Detta; Ana Rios; Mariana Hernández (INE/CCS); Sybille Nuenninghoff (RND/CBL); Cassandra Rogers (RND/CBA); Fernando Miralles (INE/WSA); Christiaan Gischler (INE/ENE), and Escarlata Baza (LEG/SGO)
▪ Taxonomy:	Client Support
▪ Date of TC Abstract authorization:	September 5, 2014
▪ Beneficiary:	Belize, Trinidad & Tobago and The Bahamas
▪ Executing Agency and contact name:	IDB, through its Climate Change and Sustainability Division (INE/CCS)
▪ Donors providing funding:	Sustainable Energy and Climate Change IDB Special Program (SCI)
▪ IDB Funding Requested:	US\$992,000
▪ Local counterpart funding, if any:	US\$248,000 in kind
▪ Disbursement period (execution):	28 months (24 months)
▪ Required start date:	January 2015
▪ Types of consultants:	Individuals and firms
▪ Prepared by Unit:	INE/CCS
▪ UDR:	INE
▪ TC Included in Country Strategy:	No
▪ TC included in CPD:	No
▪ GCI-9 Sector Priority:	Protect the environment, respond to climate change and promote renewable energy and food security

II. OBJECTIVES AND JUSTIFICATION OF THE TC:

- 2.1 The vulnerability of Caribbean nations to the impacts of climate change is well known given their limited land masses, the concentration of socio-economic activities and critical infrastructure in narrow coastal zones, their dependence on tourism and the limited human and institutional capacity. Permanent shocks and changes from extreme climatic events are expected to result in a loss of livelihood, and the degradation of region's resource base with its economic and social infrastructure. It has been estimated that over the last three decades, the Caribbean region suffered direct losses of approximately US\$3.2 billion due to natural disasters associated with extreme

weather events¹. The region is also highly dependent on the imports of fossil fuels for energy needs which places a heavy burden on its economies as a result of the vagaries of global petroleum prices. So far, alternative energy sources have not been significantly utilized even though there is very good potential for solar, wind, hydro power and biomass exploitation. The Bahamas relies on tourism as the primary economic driver which represents up to 70% GDP together with the financial services sectors². In the case of Belize, agriculture is the main sector although tourism has become the largest contributor to GDP currently generating about US\$200 million in expenditures per year (about 17% GDP)³. In the case of Trinidad and Tobago, about 11% of the country's GDP is estimated to be generated by the tourism sector and Tobago has been identified as an emerging tourism destination on the Caribbean⁴.

- 2.2 It is within this context that Caribbean nations are expected to adapt to the impacts of climate change while at the same time pursuing a low carbon pathway given growing international and public pressure for environmentally friendly development that reduces their “carbon footprint” and exposure to climate change and also increasing energy security. The implementation of adaptation and mitigation measures by small islands is not considered to be mutually exclusive but can be complementary in response to climate change. Co-benefit linkages can exist in sectors such as energy supply and demand, tourism infrastructure and ecosystems services and functions.⁵
- 2.3 The general objective of this technical cooperation (TC) is to demonstrate ways of transitioning to a low carbon and climate resilient development pathway utilizing as pilots the islands of Tobago (Trinidad & Tobago), Caye Caulker (Belize) and Harbour Island (The Bahamas). The selection of these pilot islands was based on their participation in the previous technical cooperation program “Caribbean Carbon Neutral Tourism project (RG-T1640)”⁵; the proposed project will expand on the work done through RG-T1640 and add climate change adaptation consideration to the interventions. The TC will examine priority sectors in which low carbon and climate resilient measures can be implemented such as transport, infrastructure, energy, water, waste treatment and tourism. The identified measures will be analyzed from a cost-benefit and commercial potential perspective in order to prioritize them, highlighting cost recovery rates. Based on this analysis, mitigation and adaptation pilots will be carried out in the project sites.
- 2.4 The proposed TC will contribute to the following GCI-9 lending targets: (i) Support to Small and Vulnerable Countries (ii) Poverty Reduction and Equity Enhancement; (iii) Support Climate Change Initiatives, Sustainable Energy (Including Renewable Energies) and Environmental Sustainability; and (iv) Support Regional Cooperation and Integration. The TC is also aligned with the IDB's Integrated Strategy for

¹ IDB. 2004. Evaluation of the Bank's Policy & Operational Practice Related to Natural & Unexpected Disasters.

² IDB Country Strategy with the Commonwealth of the Bahamas (2013-2017).

³ Belize's Second National Communication to the UNFCCC, 2011.

⁴ World Travel and Tourism Council, Travel & Tourism Economic Impact for the Caribbean report, 2010.

⁵ Nurse, L.A., et al, 2014. Small Islands in Climate Change 2014: Impacts, Adaptation, and Vulnerability. Part B: regional Aspects. Contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA, pp. 1613-1654.

Climate Change Adaptation and Mitigation and Sustainable Renewable Energy (GN-2609-1) and Action Plan (GN-2609-3). The TC is also aligned with the Country Strategies for The Bahamas, Belize and Trinidad and Tobago (GN-2638, GN-2746, GN-2731) which have climate change either as a cross-sectorial theme or as a thematic area.

2.5 In the wider context of the Caribbean region, there are several initiatives related to the interventions proposed under this program and with which synergies will be sought: (i) “Regional Framework for Achieving Development Resilient to Climate Change” and associated Implementation Plan (IP) which was adopted by CARICOM countries. This Framework lists five strategic goals, all of which are linked directly to the development of a low carbon and climate resilient tourism sector; (ii) the Caribbean Carbon Neutral Tourism Program - CCNTP (RG-T1640) funded by the IDB and completed in late 2012 and which provides the basis for this proposed program by providing ways of transitioning the tourism sector within the Caribbean to a low carbon pathway (specifically in Bahamas and Belize), such as the evaluation of appropriate approaches and technologies to reduce the carbon footprint and the identification of financial mechanisms to establish carbon neutrality; (iii) the IDB funded Caribbean Hotel Energy Efficiency Action Program - CHENACT phase I (RG-T1431) developed in Barbados and completed in late 2012 as well as CHENACT phase II (RG-T2015) deployed in Jamaica and the Bahamas and expected to be completed in 2016, which will provide relevant information from the energy audits conducted in licensed hotels in Bahamas, as well as from the assessments of financing sources for hotel energy investment; (iv) the IDB funded program on “Support for Implementation of the Belize Tourism Master plan” (BL-T1054, BL-T1064 and BL-T1071); (v) the IDB funded program on “Transportation Master plan (BL-T1065)”; and (vi) The “Ten Islands Challenge” being implemented by the Carbon War Room (CWR) which supports island economies in transitioning off fossil fuels.

III. DESCRIPTION OF ACTIVITIES/COMPONENTS AND BUDGET:

3.1 **Component 1. Assessment of mitigation options to support the transition to low carbon pathways (US\$350,000).** This component will undertake the following activities: (i) review and expand existing Greenhouse Gas (GHG) inventories for the selected pilot islands that were carried out as part of technical assistance RG-T1640 focusing on selected sectors;⁶ (ii) identification of mitigation options for these sectors based on the GHG inventories, including the development of cost-benefit and multi-criteria analyses in order to prioritize such interventions, as well as the identification of financial instruments available for financing;⁷ (iii) review and make recommendations for institutional and legal frameworks in order to implement similar larger-scale interventions, as well as identify the options for branding and/or

⁶ These will be at least the transportation, infrastructure, energy, water resources, waste treatment and tourism sectors.

⁷ Some of these options could be implemented through the CHENACT phase II in the case of the Bahamas.

certification for low carbon⁸ destinations; and (iv) implementation of a pilot mitigation project in each of the selected pilot islands based on outputs from activities (i) - (iii) and available budget. The outputs of this component are: (i) a portfolio of prioritized mitigation options; (ii) identification of private/public sources of financing; and (iii) policy recommendations for enabling the framework to implementation. The overall outcome is a low-carbon pathway for energy security and development for small island economies.

- 3.2 **Component 2: Assessment of adaptation options to support the transition to climate resilient pathways (US\$462,000).** The activities to be undertaken under this component are: (i) study on the Economics of the Impacts of Climate Change (ECC) and/or study on the Economics of Climate Adaptation (ECA) for the pilot islands in order to analyze, prioritize and quantify potential adaptation interventions. These studies will include vulnerability and risk assessments for key assets⁹ to the impacts of climate change; (ii) determine the best implementation scheme for climate resilient interventions, including the use of public private partnerships (PPPs) and other financing options for implementation; (iii) review and make recommendations for institutional and legal frameworks in order to implement similar larger-scale interventions, as well as the options for branding and/or certification of climate resilient destinations; (v) implementation of an adaptation pilot in each of the selected pilot islands based on outputs from activities (i) - (v) and available budget. The outputs of this component are (i) a portfolio of prioritized adaptation options; (ii) identification of private/public sources of financing; and (iii) policy recommendations for enabling the framework to implementation. The overall outcome is improved resilience for the pilot areas which will improve protection of assets, livelihoods and ecosystems.
- 3.3 **Component 3. Marketing and Communications Plan (US\$80,000).** The activities to be undertaken for this component are: (i) the design of a communications strategy, including workshops, to disseminate the results for each of the pilot islands tailored for the different audiences of the project (governments, private sector, tourists, etc.) as well as to build capacity and awareness especially among communities to ensure understanding and ownership of the proposed interventions; and (ii) the development and implementation of an action plan for the strategy in order to market the new product based on the mitigation and adaptation options identified, i.e. the low carbon and climate resilient tourism destinations. The output of this component is a communications strategy and marketing plan for each of the pilot islands and an improved understanding from the different stakeholders about the benefits of low-carbon climate-resilient pathways, hence an increased interest in replicating these kinds of efforts throughout the Caribbean.

Table 1. Indicative Results Matrix

Results Matrix

⁸ Low carbon tourism/destinations are generally recognized as being green, based on low energy consumption and low pollution which advocates reducing the emission of CO2 and offsetting the carbon in tourism activities (Min, 2011. Low-carbon Tourism Development of Changdao Island in Low-carbon. Proceedings of the 2011 International Symposium-Technical Innovation of Industrial Transformation and Structural Adjustment.).

⁹ Infrastructure, ecosystems, water resources and energy.

Component/Description	Unit	Baseline (2015)	Yr 1	Yr 2	Completion Date	Data Source
Component 1. Assessments of mitigation options for low carbon pathways						
Revised GHG inventories	Nº	0	3	0	2015	Project Report
CBAs of mitigation options	Nº	0	0	3	2015	CBA Reports
Reports on legal/institutional review and low carbon destination branding options	Nº	0	0	2	2015	Project Report
Mitigation pilots implemented	Nº	0	0	3	2016	Project Report
Component 2. Assessments of adaptation options for transitioning to a climate resilient pathway						
ECC/ECA studies	Nº	1	0	3	2015	Project Report
Reports on legal/institutional review and climate resilient destination branding options	Nº	0	0	2	2015	Project Report
Adaptation pilots implemented	Nº	0	0	3	2015	Project Report
Component 3. Marketing and communications plan						
Communications strategies developed	Nº	0	0	3	2016	Strategies
Communication action plan implemented	Nº	0	0	3	2016	Action Plan
Workshops undertaken	Nº	0	0	3	2016	Project Report

- 3.4 The total amount of financing for the operation is US\$1,240,000 of which US\$992,000 correspond to non-reimbursable resources from the Bank. The local counterpart in-kind contribution of US\$248,000 will be provided by Carbon War Room (CWR) and the country beneficiaries. The Bank and CWR will jointly undertake activities (i)-(iii) under Component I for The Bahamas and Belize and collaborate in the development of Component III. CWR will also participate in the project steering committees, as their in kind contribution to the project. The beneficiary countries will provide their in kind contribution by at least: (i) assigning staff time to the project in the form of focal points for the program and designated representatives relevant for the steering committees; (ii) facilitating liaison with local/international partners; and (iii) collaborating with the project team in the undertaking of missions and implementation activities.

Table 2. Indicative Budget (US\$)

Component	Description	IDB Funds	Counterpart	Total
Component 1. Assessment of mitigation options to support the transition to low carbon pathways	(i) Revision and update of existing GHG inventories	30,000	20,000	50,000
	(ii) Identification of mitigation options for selected sectors and undertake CBAs	20,000	20,000	40,000
	(iii) Revision of institutional and legal frameworks and recommendations; identify options for branding	30,000	10,000	40,000
	(iv) Implementation of pilot mitigation projects	270,000	45,000	315,000

Component 2. Assessment of adaptation options to support the transition to climate resilient pathway	(i) Undertake ECCS and/or ECAs for pilot islands	170,000	45,000	215,000
	(ii) Determination of best implementation schemes for climate resilient interventions	20,000	0	20,000
	(iii) Revision of institutional and legal frameworks and recommendations for scaling up interventions	35,000	0	35,000
	(iv) Implementation of adaptation pilots	237,000	66,000	303,000
Component 3. Marketing and Communications Plan	(i) Design of communication strategies and undertaking of associated workshops	40,000	42,000	82,000
	(ii) Development and implementation of action plans	40,000	0	40,000
Project Coordination	For the management of the project	30,000	0	30,000
Monitoring & Evaluation		30,000	0	30,000
Sub-Total		952,000	248,000	1,200,000
Administrative Budget		40,000	0	40,000
TOTAL		992,000	248,000	1,240,000

- 3.5 Technical and basic responsibility: INE/CCS will have technical and supervisory responsibility for the execution of the program. INE/CCS will cooperate with INE/RND, INE/WSA and INE/ENE on the implementation of the project. There will be coordination with the IDB Country Offices in The Bahamas (CBH), Trinidad and Tobago (CTT) and Belize (CBL) as it relates to basic administrative activities such as missions since the UDR remains in INE HQ. The main contacts in CBH, CTT and will be the assigned Operations Analysts and in CBL it will be the resident RND specialist.
- 3.6 Monitoring and evaluation: The work of the consultants and their compliance with the Terms of Reference (TORs) for this project will be monitored by INE/CCS. This project will be evaluated on the basis of deliverables as listed in the TORs, which will detail the contents expected in the reports.
- 3.7 Auditing, Financial management of the resources and reporting: Standard Bank procedures for Bank executed projects will be followed with respect to auditing, financial management of the resources and reporting.

IV. EXECUTING AGENCY AND EXECUTION STRUCTURE

- 4.1 Executing agency: This operation will be executed and supervised by the Bank through its Climate Change and Sustainability Division (INE/CCS) since no regional entity with legal capacity was identified and having this TC executed by the Bank will ensure sustainability of the project. Also the beneficiary countries have concurred with the program, it is a regional program that will require a high level of coordination and the activities proposed are consistent with the Bank's strategies in The Bahamas, Belize and Trinidad and Tobago¹⁰. INE/CCS will receive technical support from the Carbon War Room (CWR) in the design and implementation of the program, as it

¹⁰ This is in accordance with the Annex 10 of the TC's Operational Guidelines for Technical Cooperation.

relates to the mitigation analysis and interventions in The Bahamas and Belize. Three Steering Committees (one per country)¹¹ will be set up to help in the guidance and implementation of the program and will be comprised of at least: (i) For Trinidad and Tobago –the Tobago House of Assembly and Ministry of Environment and Water Resources; (ii) For the Bahamas –BEST Commission and Ministry of Tourism; and (iii) For Belize –Ministry of Forestry, Fisheries and Sustainable Development and Ministry of Tourism, Culture and Civil Aviation (Belize). Carbon War Room (CWR) and INE/CCS (IDB) will be part of all three Steering Committees.

- 4.2 Executing structure: The consulting services will be carried out by a consulting firm or individual consultants depending on the nature of the work required. INE/CCS will be responsible for hiring the consulting services and monitoring of the TC. In the case of the Bahamas the project team will coordinate actions with the CHENACT phase II in order to avoid duplication and support collaboration between these projects. In the case of Belize the project team will coordinate actions with the Belize Tourism Master Plan in order to ensure consistency of Bank efforts.
- 4.3 The Bank will contract individual consultants, consulting firms and non-consulting services in accordance with current Bank procurement policies and procedures.

V. MAJOR ISSUES:

- 5.1 The main risks for this operation are (i) difficulty among inter-agency collaboration as there are various partners involved. This will be mitigated by having the Bank as the overall oversight body of the project and by setting up Steering Committees to help guide implementation; and (ii) low interest/participation of stakeholders which could delay the implementation and threaten the achievement of the results under the program during the set execution period. This will be mitigated by undertaking various awareness campaigns and workshops to engage these actors, create ownership and ensure the fulfillment of the expected results of the program.

VI. EXCEPTIONS TO BANK POLICY

- 6.1 No exceptions to Bank's policies are foreseen.

VII. ENVIRONMENTAL AND SOCIAL STRATEGY

- 7.1 It is not anticipated that the activities to be financed in this TC will have negative direct social or environmental impacts. The project has been classified as category "C" per the Environment and Safeguards Compliance Policy (OP-703) (see the [Safeguard Screening Report](#) and the [Safeguard Policy Filter](#)).

VIII. REQUIRED ANNEXES:

- Annex I: [Letters of Request - Bahamas, Belize, Trinidad and Tobago](#)
- Annex II: [Terms of Reference](#)
- Annex III: [Procurement Plan](#)

¹¹ Terms of Reference for these Steering Committees can be found as a TC annex.

SAFEGUARD SCREENING FORM

PROJECT DETAILS	
IDB Sector	ENVIRONMENT AND NATURAL DISASTERS
Type of Operation	Technical Cooperation
Additional Operation Details	
Country	REGIONAL
Project Status	
Investment Checklist	Generic Checklist
Team Leader	Alleng, Gerard P. (GERARDA@iadb.org)
Project Title	Caribbean Climate Smart Islands Program
Project Number	RG-T2543
Safeguard Screening Assessor(s)	Alleng, Gerard P. (GERARDA@iadb.org)
Assessment Date	2014-11-24

PROJECT CLASSIFICATION SUMMARY		
Project Category: C	Override Rating:	Override Justification:
		Comments:
Conditions/ Recommendations	<ul style="list-style-type: none"> No environmental assessment studies or consultations are required for Category "C" operations. Some Category "C" operations may require specific safeguard or monitoring requirements (Policy Directive B.3). Where relevant, these operations will establish safeguard, or monitoring requirements to address environmental and other risks (social, disaster, cultural, health and safety etc.). The Project Team must send the PP (or equivalent) containing the Environmental and Social Strategy (the requirements for an ESS are described in the Environment Policy Guideline: Directive B.3) as well as the Safeguard Policy Filter and Safeguard Screening Form Reports. 	

SUMMARY OF IMPACTS/RISKS AND POTENTIAL SOLUTIONS	
Identified Impacts/Risks	Potential Solutions

DISASTER RISK SUMMARY	
Disaster Risk Category: Low	
Disaster/ Recommendations	<ul style="list-style-type: none"> No specific disaster risk management measures are required.

DISASTER SUMMARY	
Details <p>The Project should include the necessary measures to reduce disaster risk to acceptable levels as determined by the Bank on the basis of generally accepted standards and practices. Alternative prevention and mitigation measures that decrease vulnerability must be analyzed and included in project design and implementation as applicable. These measures should include safety and contingency planning to protect human health and economic assets. Expert opinion and adherence to international standards should be sought, where reasonably necessary.</p>	Actions <p>The project triggered the Other Risks policy (B.04): climate risk. Please include sections on how climate risk will be dealt with in the ESS as well as client documents (EIA, EA, etc); Recommend addressing risks from gradual changes in climate for the project in cost/benefit and credit risk analyses as well as TORs for engineering studies.</p>

ASSESSOR DETAILS	
Name of person who completed screening:	Alleng, Gerard P. (GERARDA@iadb.org)
Title:	
Date:	2014-11-24

SAFEGUARD POLICY FILTER REPORT

PROJECT DETAILS	
IDB Sector	ENVIRONMENT AND NATURAL DISASTERS
Type of Operation	Technical Cooperation
Additional Operation Details	
Investment Checklist	Generic Checklist
Team Leader	Alleng, Gerard P. (GERARDA@iadb.org)
Project Title	Caribbean Climate Smart Islands Program
Project Number	RG-T2543
Safeguard Screening Assessor(s)	Alleng, Gerard P. (GERARDA@iadb.org)
Assessment Date	2014-11-24

SAFEGUARD POLICY FILTER RESULTS		
Type of Operation	Technical Cooperation	
Safeguard Policy Items Identified (Yes)	Type of operation for which disaster risk is most likely to be low .	(B.01) Disaster Risk Management Policy– OP-704
	The operation is in compliance with environmental, specific women's rights, gender, and indigenous laws and regulations of the country where the operation is being implemented (including national obligations established under ratified Multilateral Environmental Agreements).	(B.02)
	The operation (including associated facilities) is screened and classified according to their potential environmental impacts.	(B.03)
	The project is specifically designed to increase the capacity of human social and ecological systems to adapt to a changing climate.	(B.04)
	The project includes activities to close current “adaptation deficits” or to increase the capacity of human social and ecological systems to adapt to a changing climate.	(B.04)
	The Bank will monitor the executing agency/borrower's compliance with all safeguard requirements stipulated in the loan agreement and project operating or credit regulations.	(B.07)

	Suitable safeguard provisions for procurement of goods and services in Bank financed projects may be incorporated into project-specific loan agreements, operating regulations and bidding documents, as appropriate, to ensure environmentally responsible procurement.	(B.17)
Potential Safeguard Policy Items(?)	No potential issues identified	
Recommended Action:	<p>Operation has triggered 1 or more Policy Directives; please refer to appropriate Directive(s). Complete Project Classification Tool. Submit Safeguard Policy Filter Report, PP (or equivalent) and Safeguard Screening Form to ESR.</p> <p>The project triggered the Disaster Risk Management policy (OP-704). A Disaster Risk Assessment (DRA) may be required (see Directive A-2 of the DRM Policy OP-704) in case of high risk, a limited DRA in case of moderate risk. Next, please complete a Disaster Risk Classification along with Impact Classification.</p> <p>The project triggered the Other Risks policy (B.04): climate risk. Please include sections on how climate risk will be dealt with in the ESS as well as client documents (EIA, EA, etc); Recommend addressing risks from gradual changes in climate for the project in cost/benefit and credit risk analyses as well as TORs for engineering studies.</p>	
Additional Comments:		

ASSESSOR DETAILS	
Name of person who completed screening:	Alleng, Gerard P. (GERARDA@iadb.org)
Title:	
Date:	2014-11-24

No. FIN/201.10

In reply please
quote this number



MINISTRY OF FINANCE

P. O. BOX N-3017

TELEX: 20-255

TEL: (242) 327-1530

FAX: (242) 327-1618

327-1620

NASSAU, BAHAMAS

April 29, 2013

Ms. Astrid Wynter
Representative
Inter-American Development Bank
IDB House
East Bay Street
P.O. Box N-3743
Nassau, Bahamas

Dear Ms. Wynter,

RE: IDB Grant Funding of Carbon Neutral Project - Harbor Island, Eleuthera

In reference to the captioned subject, I have been directed to convey the Ministry of Finance no objection to permit the participation of the Ministry of Tourism in the Caribbean Carbon Neutral Tourism Program.

As usual the Ministry of Finance is appreciative of the Bank's assistance to address development challenges in The Bahamas.

Sincerely,

A stylized signature in black ink, consisting of a large 'C' and 'O' followed by a horizontal line.

Carl Oliver
(for) Financial Secretary



MINISTRY OF TOURISM AND CULTURE

*No. 106 South Street,
P.O Box 325,
Belize City, Belize
Central America*
Tel: 501-227-2801/02 *** Fax: 501-227-2810

MY REF: GEN/45/01/13 (6)

June 10th, 2013

Dr. Kenrick Leslie
Executive Director
Caribbean Community Climate Change Centre
Belmopan, Belize

Dear Dr. Leslie,

On behalf of the Government of Belize, the Ministry of Tourism and Culture would like to express its gratitude for Belize's inclusion as a pilot country in the First Phase of the Caribbean Carbon Neutral Tourism Program. It is to our understanding that the Caribbean Community Climate Change Centre is about to initiate a Second Phase of the abovementioned Project. The Ministry takes this opportunity to express its interest and commitment to participate in this follow-up phase.

The National Sustainable Tourism Master Plan of Belize highlights the paramount importance of developing our tourism industry in a sustainable and responsible manner. The Ministry believes that low carbon destination development has the potential to assist this Ministry in achieving some of the objectives of our Master Plan, as well as, to fortify the assimilation of climate change into the tourism industry's strategies, policies and developmental agenda.

We look forward to your further consideration of our expressed interest to be part of this program. Please accept the assurances of our very highest consideration and regards.

Sincerely,



Tracy Panton (Mrs.)
Chief Executive Officer



Office of the Chief Secretary
Chief Administrator's Office
Tobago House of Assembly
(Public Administration)
Administrative Complex, Calder Hall
Scarborough, Tobago, W.I.
P.O. Box 161
Tel. No. (868) 660 7511 639 4151 (Fax)

8th December, 2014

Permanent Secretary
Ministry of Planning and
Sustainable Development
Office of the Permanent Secretary
Level 14 Eric Williams Finance Building
Independence Square
Port of Spain
Trinidad

Dear Sir/Madam,


**IDB Regional Technical Cooperation –
Caribbean Climate Smart Island Programme**

Ms. Michelle Cross Fenty, Esq., Representative of the Inter-American Development Bank (IDB) advised the Honourable Chief Secretary of the Tobago House of Assembly of the above captioned programme.

The Tobago House of Assembly has agreed for Tobago to be included as one of the beneficiary pilot islands in the Regional Technical Cooperation – Caribbean Climate Smart Island Programme.

The Tobago House of Assembly will appreciate if you can use your good office to facilitate our inclusion in this programme.

Regards,


+ Raye Sandy
Chief Administrator
Tobago House of Assembly

WASHINGTON D.C.

INTER-AMERICAN DEVELOPMENT BANK

CLIMATE CHANGE AND SUSTAINABILITY DIVISION (INE/CCS)

**CONSULTANCY TO SUPPORT THE TRANSITION TO LOW CARBON PATHWAYS
CARIBBEAN CLIMATE SMART ISLANDS PROGRAM**

TERMS OF REFERENCE

I. BACKGROUND

- 1.1 The vulnerability of Caribbean nations to the impacts of climate change is well known given their limited land masses, the concentration of socio-economic activities and critical infrastructure in narrow coastal zones, their dependence on tourism and the limited human and institutional capacity. The region is also highly dependent on the imports of fossil fuels for energy needs which places a heavy burden on its economies as a result of the vagaries of global petroleum prices. So far, alternative energy sources have not been significantly utilized even though there is very good potential for solar, wind, hydro power and biomass exploitation.

It is within this context that Caribbean nations are expected to adapt to the impacts of climate change while at the same time pursuing a low carbon pathway given growing international and public pressure for environmentally friendly development that reduces their “carbon footprint” and exposure to climate change, while also increasing energy security. The implementation of adaptation and mitigation measures by small islands is not considered to be mutually exclusive but can be complementary in response to climate change. Co-benefit linkages can exist in sectors such as energy supply and demand, tourism infrastructure and ecosystems services and functions.

II. CONSULTANCY OBJECTIVE(S)

- 2.1 The general objective of this technical cooperation (TC) is to demonstrate ways of transitioning to a low carbon and climate resilient development pathway utilizing as pilots the islands of Tobago (Trinidad & Tobago), Caye Caulker (Belize) and Harbour Island (The Bahamas). The TC will examine priority sectors in which low carbon and climate resilient measures can be implemented in sectors such as transport, infrastructure, energy, water, waste treatment and tourism. The identified measures will be analyzed from a cost-benefit perspective and commercial potential in order to prioritize them, highlighting cost recovery rates. Based on this analysis, mitigation and adaptation pilots will be carried out in the project sites.

III. SCOPE OF WORK AND METHODOLOGY

- 3.1 During this assignment, the consulting firm will complete the following tasks:

Component I: Assessment of mitigation options to support the transition to low carbon pathways

- i. Review and update existing Greenhouse Gas (GHG) inventories for the selected pilot islands in order to clearly identify the potential for GHG reductions in sectors such as transportation, infrastructure, energy, water, waste treatment and tourism;
- ii. Identify mitigation options for these sectors based on the GHG inventories, including the development of cost-benefit analyses;
- iii. Identify and analyze the viability of available financial instruments for priority interventions;
- iv. Review and make recommendations for institutional and legal frameworks in order to implement similar interventions in a larger-scale;
- v. Identify options for branding and/or certification for low carbon destinations;
- vi. Based on the results of i to iii, design a pilot project in each of the pilot islands, in collaboration with the governments and under the guidance of each pilot island Steering Committee.
 - a. Prepare Terms of Reference for contracting the firm (s) to implement the proposed pilot projects; and
 - b. Prepare operational guidelines for the purchase, implementation, and monitoring of each pilot project.

Component II: Assessment of adaptation options to support the transition to low carbon pathways

- i. Conduct a study on the Economics of the Impacts of Climate Change (ECC) and/or study on the Economics of Climate Adaptation (ECA) for the pilot islands in order to analyze, prioritize and quantify potential for adaptation interventions. This will include vulnerability and risk assessments for key assets (i.e. infrastructure, ecosystems, water resources and energy), in order to identify most vulnerable areas where interventions should be made with priority in terms of socioeconomic value;
- ii. Determine the best implementation scheme for climate resilient interventions, including the use of private public partnerships (PPPs) and analyze the viability of other available financing options;
- iii. Review and make recommendations for institutional and legal frameworks in order to implement similar interventions in a larger-scale;
- iv. Identify options for branding and/or certification for low carbon destinations;
- v. Based on the results of i to iii, design a pilot project in each of the pilot islands, in collaboration with the governments under the guidance of each pilot island Steering Committee.
 - a. Prepare Terms of Reference for contracting the firm (s) to implement the proposed pilot projects; and
 - b. Prepare operational guidelines for the purchase, implementation, monitoring of each pilot project.

Component III: Marketing and Communications Plan

- i. Design a communications strategy for each of the pilot islands tailored to different audiences (i.e. government, private sector, tourists, academia, etc.) to disseminate the results, as well as build capacity and awareness among communities where the pilots are being implemented. Conduct public awareness workshops.
- ii. Design and develop a marketing plan for new products based on the results of the mitigations and adaptation assessments.

IV. REPORTS/DELIVERABLES

4.1 The main deliverables of this consultancy are, for each of the pilot islands:

- **Inception Report:** This report will be prepared 2 weeks after starting the consultancy. The report will include a detailed work plan (including methodology to be used for each item, schedule of activities, team distribution of responsibilities, team communication structure and schedule of presentation of all deliverables).
- **Progress Report I (40% of the total work):** This report should include the activities described in Components I and II, including the concept note and viability analysis of the three pilot projects.
- **Progress Report II (70% of the total work):** This report should include activities described in Component I, II and III, including the design and proposed implementation structure of the three pilot projects.
- **Final Report:** This report should include all deliverables described in Components I, II and III, include feedback from the Steering Committee and relevant stakeholders.

V. CHARACTERISTICS OF THE CONSULTANCY

- **Type of consultancy:** The work is expected to be carried out by a consulting firm or consortium of international firms. The contract is a lump sum payment to be awarded on technical merit and includes all expenses that might incur during the development of this assignment (i.e. gathering of data, travel, printing and publishing of the report, etc.).
 - **Contract duration:** (12) months.
 - **Start of consultancy:** The starting date is estimated to be July 2015.
 - **Place of work:** The consulting team will be based in the firm's country of origin but will be expected to travel and spend sufficient time in the Bahamas, Tobago and Belize to complete the work.
- Means of payment:** Remuneration will be processed as defined in section "Schedule of Payments".

VI. COORDINATION

- 6.1 The consulting firm will work in close communication with the Climate Change & Sustainability Division (INE/CCS) in Washington, DC Headquarters and with the IDB Country Offices in Bahamas, Trinidad and Tobago and Belize, under direct supervision from Gerard Alleng, Climate Change Senior Specialist (INE/CCS).

VII. QUALIFICATIONS / REQUIREMENTS

- 7.1 **Expertise:** The proposed project team leader shall hold a post graduate degree in Business Administration, Environmental Economics, Finance or related discipline. Other key personnel shall demonstrate knowledge in the area of climate change, tourism, energy and water resources management as well as proven experience in implementing projects in developing countries, ideally but not limited to the Caribbean Region. The recommended list of key personnel must include:

- a. A climate change mitigation expert with prior experience in conducting Greenhouse Gas Inventories and development of low carbon energy options;
- b. A climate change adaptation expert with experience in integrated coastal zone management and/or water management;
- c. A communication and public awareness expert with experience of implementing public awareness programs in the Caribbean;

If deemed necessary, and not exceeding the suggested budget for the consultancy, the consulting firm may propose additional staff as part of the team or may negotiate the option of combining the duties of one or more of the recommended positions.

- **Experience:** The firm must have no less than 5 years of legal constitution; have experience managing consulting contracts amounting to \$300,000 or more, a year and documented experience (i) in conducting GHG inventories; (ii) in vulnerability assessments, climate change adaptation projects and cost benefit analyses directly or through the experience of at least two collaborators proposed for this assignment. In a similar way the firm should demonstrate experience with activities related to climate change and knowledge on probabilistic hazard assessment; local field experience in Tobago, Bahamas or Belize and local content will be considered assets.
- **Languages:** Fluency in English is a prerequisite for each team member.
Skills: Strong analytical skills on probabilistic hazard assessment, vulnerability assessment, cost-benefit analysis, ability to conduct GHG inventories; produce high quality written and visual communication products.

VIII. SCHEDULE OF PAYMENTS

First payment	30% upon submission and approval from the Bank of work plan.
Second payment	20% upon submission and approval from the Bank of Progress Report I.
Third payment	20 % upon submission and approval from

	the Bank of Progress Report II.
Fourth payment	30% upon submission and approval from the Bank of Final Report.

Payment and Conditions of Employment: Remuneration will be determined in accordance with Bank regulations and criteria.

Consanguinity: Individuals with relatives working for the IDB within, and including the fourth degree of consanguinity and the second degree of affinity are not eligible for employment as staff or contractual. Candidates must be citizens of a member country of the Inter-American Development Bank.

Diversity: The IDB is committed to diversity and inclusion and to providing equal opportunities in employment. We embrace diversity on the basis of gender, age, education, national origin, ethnic origin, race, disability, sexual orientation, religion, and HIV/AIDs status. We encourage women, Afro-descendants and persons of indigenous origins to apply.

Inter-American Development Bank -VPC/FMP

PROCUREMENT PLAN FOR NON-REIMBURSABLE TECHNICAL COOPERATIONS										
Country: Regional (Caribbean)					Executing agency: IDB			Public or private sector: Public		
Project number: RG-T2543					Title of Project: Caribbean Climate Smart Islands Program					
Period covered by the plan: July 2015 - July 2017										
Threshold for ex post review of procurements:				Goods and works (in US\$):		Consulting services(in US\$):		922,000		
Item No.	Ref. AWP	Description (1)	Estimated contract cost (US\$)	Procurement Method (2)	Review of procurement (ex-ante or ex-post) (3)	Source of financing and percentage		Estimated date of the procurement notice or start of the contract	Technical review by the PTL (4)	Comments
						IDB %	Local/other %			
1		Consulting Services 1								
		The objective of this consultancy is to prepare the following: (i) Assessment of mitigation options to support the transition to low carbon pathways; (ii) Assessment of adaptation options to support the transition to low carbon pathways; (iii) Marketing and communications plan	892,000	QCBS	N/A	100	-	Q3 2015		
3		Monitoring and Evaluation	30,000	IICQ	N/A	100	-	Q3 2017		
Total			922,000	Prepared by: Gerard Alleng			Date:December 2014			
(1) Grouping together of similar procurement is recommended, such as computer hardware, publications, travel, etc. If there are a number of similar individual contracts to be executed at different times, they can be grouped together under a single heading, with an explanation in the comments column indicating the average individual amount and the period during which the contract would be executed. For example: an export promotion project that includes travel to participate in fairs would have an item called "airfare for fairs", an estimated total value of US\$5,000, and an explanation in the Comments column: "This is for approximately four different airfares to participate in fairs in the region in years X and X1".										
(2) Goods and works: CB: Competitive bidding; PC: Price comparison; DC: Direct contracting.										
(2) Consulting firms: CQS: Selection Based on the Consultants' Qualifications; QCBS: Quality and cost-based selection; LCS: Least Cost Selection; FBS: Selection under a Fixed Budget; SSS: Single Source Selection; QBS: Quality Based selection.										
(2) Individual consultants: IICQ: International Individual Consultant Selection Based on Qualifications; SSS: Single Source Selection.										
(3) Ex ante/ex post review: In general, depending on the institutional capacity and level of risk associated with the procurement, ex post review is the standard modality. Ex ante review can be specified for critical or complex process.										
(4) Technical review: The PTL will use this column to define those procurement he/she considers "critical" or "complex" that require ex ante review of the terms of reference, technical specifications, reports, outputs, or other items.										