

June 30, 2011

Comments from Germany on Saint Lucia's Strategic Programme for Climate Resilience

Dear Patricia and Andrea,

Pls find attached Germany's comments for the SAINT LUCIA SPCR.

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Summary

We would like to congratulate the Government of St. Lucia for developing and presenting a very well structured and elaborated SPCR.

The five strategic programme areas, (I) human welfare and livelihood protection; (II) integrated natural resource protection, conservation and management to promote sustainable development; (III) building resilience through business development, innovation and productivity enhancement; (IV) capacity development/building and institutional/organizational strengthening; and (V) reducing risk to climate related disasters seem highly justified when analysing the climate risks St. Lucia is facing. Based on these strategic programme areas three major components, of which one is a technical assistance measure, one is an investment project, and one combines both technical assistance and investment, have been identified for PPCR support. These three components form a comprehensive approach to address climate change adaptation, as they address three different levels, at which climate resilience must be achieved: the institutional and policy framework as the enabling environment (adaptation facilitation), critical infrastructure requiring refitting and redesign (adaptation implementation) and financing mechanisms to mobilise climate resilient investment on a broad scale (adaptation financing). An additional component addresses project management and support for the National Implementing Agency. Overall, the combination of "hard" and "soft" measures seems to be well-balanced.

The key results and the related indicators of St. Lucia's SPCR are very comprehensive and build a good framework for measuring its impacts. We especially appreciate that aspects regarding the private sector have explicitly been included in the expected key results and indicators, as the private sector obviously has an important role to play in increasing climate resilience of an economy. Gender sensitivity, however, is not explicitly being addressed in the indicator framework, though vulnerable groups in general play an important role in the SPCR, which necessitates some adjustments.

In summary, the suggested investment projects and technical assistance measures are appropriate from our point of view and we have no major objections. However, we would like to see the recommendations (see **bold** highlights below) being taken into account during the next steps of programme preparation and/or during programme implementation.

Comments on Individual Projects / Measures

Component 1: Adaptation Facilitation

This component seeks to build an enabling environment for climate resilience and promote capacity building. It has four sub-components: (I) Strengthening National Level Policy, Legislative and Institutional Framework for Climate Resilience and Enhancing PPCR Implementation; (II) Public Education and Outreach for Climate Change Resilience Building; (III) Research and Systematic Observation and Data and Information Acquisition and Knowledge Management for Climate Change Adaptation; and (IV) Human Resource Capacity Building for Climate Resilience. It includes technical assistance and some investment in hard- and software necessary for data collection and analysis.

In order to increase the understanding of climate risks and the technical ability of both the public and the private sector as well as of civil society to integrate climate resilience into development planning and decision-making, this component seems highly justified. It builds on St. Lucia's National Climate Change Policy and Adaptation Plan, which will be finalized and adopted during phase 2 of the SPCR. We very much appreciate that enforcement measures for new laws and regulations will be developed "through a participatory process to facilitate 'buy-in' by all stakeholders". Provided that participation is adequately integrated into the process, this will certainly support the implementation of new legislation. We commend the plans to integrate the private sector in building climate resilience and to stimulate its innovative powers through development and implementation of incentive mechanisms.

Sub-component 1.3 builds the necessary data and information foundation and provides necessary hard and software for data collection and analysis. Since this sub-component aims "to guide development policy, land use, risk assessment, adaptation and resilience building measures", **we strongly recommend including activities to ensure the appropriate packaging and communication of the information collected to suit the key stakeholder groups' needs and ensure its proper use, which will most likely presuppose an adequate data- and information needs assessment of these stakeholder groups.** The assessment would further increase the likelihood of achieving the success indicators related to result 3, "Strengthened Knowledge and Awareness of Climate Risk Management".

Component 2: Adaptation Implementation

This component covers the investment in hard infrastructure to increase climate resilience. It includes retrofitting of public and key community buildings including those used by vulnerable groups, re-design and modification of critical infrastructure in coastal zones, and interventions supporting water resource conservation and management. It appropriately builds on previous work, amongst others on the GEF-World Bank-funded Special Programme on Adaptation to Climate Change (SPACC). This component will also include investments in infrastructure usually applied in the context of climate change mitigation, such as solar-water heaters and photovoltaic systems. To us, the argument that renewable energy might also contribute to climate change adaptation, e.g. in terms of stronger independence from

increasing energy prices hampering economic development, sounds convincing. Furthermore, retrofitting buildings simultaneously in terms of climate resilience and energy efficiency should be seen as an integrated response to climate change. We consider this a good example of bridging the gap between adaptation and mitigation.

Measures targeting ecosystems and biodiversity are so far only considered in component 1, i.e. at the policy and institutional level, in St. Lucia's SPCR. This is commendable but could be possibly be taken further by investing in concrete ecosystem-based adaptation as a substitute or complement of hard infrastructure, particularly within agriculture, water management and disaster risk reduction.

Considering that "integrated natural resource protection, conservation and management to promote sustainable development" is one of the strategic focus areas of the SPCR, **we recommend that ecosystem-based adaptation measures be incorporated into the SPCR.**

Component 3: Adaptation Financing

Component 3 aims at the mobilisation of climate resilient investments of the private sector, individuals and civil society organisations through providing access to credit at affordable interest rates and through promoting public-private partnerships. To this end a Climate Change Adaptation Trust (CAT) Fund and a Climate Adaptation Loan Facility (CALF) will be established. We strongly support the establishment of the CALF, its capitalisation using funds available under the concessional loan, and its potential transition to the CAT pending the results of the planned feasibility study, as they are intended to scale up and leverage climate resilient investments beyond the public sector. It is pointed out that consultations with the private sector and civil society were held during the PPCR phase 1 and **we recommend continuing this participatory approach during the development of lending modalities and grant funding criteria to ensure that the CALF will be successfully established. In order to best align incentive mechanisms and improved access to finance, this component should be closely coordinated with the formulation, adoption and implementation of fiscal incentives to encourage the adoption of climate resilience measures by the private sector in component 1.**

Component 4: Project Management and Support

This component will provide support for the two National Executing Agencies implementing the SPCR, i.e. the Sustainable Development and Environment Division of the Ministry of Physical Development and the Environment (SDED-MPDE) and the Project Coordination Unit (PCU) of the Ministry of Finance, Economic Affairs and National Development. In order to ensure successful implementation, providing project management support would seem reasonable and should certainly be part of the PPCR. The responsibilities of the two National Executing Agencies as outlined in the section on institutional and implementation arrangements seem to be reasonably well thought-out and integrated into the ministries' competences and activities.

Comments on Cross-Cutting Issues

Participation

Key national stakeholders, policy makers and prospective beneficiaries were involved in the design and strategic focus of the SPCR through national consultations, focus group meetings and one-on-one meetings (a list of key contributors is provided in appendix 9). It is commendable that the private sector

(financial sector, hotel and tourism sector in particular) appears to play an important role in the process and is recognized as “a key player in climate change adaptation”. The SPCR is somewhat vague on how participation will be ensured during actual implementation. **Therefore, we recommend being more explicit in the to-be-prepared programme and project design documents as to how continued participation of private sector actors, vulnerable societal groups and communities will be guaranteed and monitored throughout the implementation process.**

Gender

St. Lucia’s SPCR recognizes the importance of “gender-inclusive and gender-equitable” climate change initiatives. It also states that there is little analytical basis for targeted initiatives for the most vulnerable population groups yet, and that no concrete adaptation projects integrating gender issues, apart from workshops and awareness building, have been implemented. Hence, the suggested activity “mapping the social dimensions of vulnerable groups” as part of sub-component 1.3 seems to be well justified. Furthermore, St. Lucia has good experience with community development groups that have addressed gender issues successfully, an example are gender-sensitive shelter programmes. It is planned that PPCR activities build on the strengths of these community-level mechanisms, which we strongly support. Furthermore, it is positively noted that women as well as marginalised young males are explicitly included as a target audience in the Climate Change Public Education and Awareness (PEA) Strategy and Plan (addressed in sub-component 1.2).

Though a “gender disaggregated information source on specific aspects of vulnerable groups” is listed as one of the expected outcomes in the summary of St. Lucia’s SPCR, there is no result or indicator, which is explicitly concerned with gender issues. **To assure that gender issues will indeed be considered adequately, that men and women benefit equally from SPCR interventions, and that this can be measured during and after implementation, we recommend that key performance indicators be included that address gender explicitly.**

Learning

Learning, capacity building and knowledge sharing at the national level have been adequately integrated in the SPCR and its expected results (sub-components 1.2 to 1.4 in particular address information acquisition/management/sharing and related capacity building and awareness-raising). We especially appreciate that “strengthened knowledge and awareness of climate risk management” (result 3) is not limited to the public sector but includes households, communities and private businesses.

Linkages between the Caribbean Regional Track and St. Lucia’s SPCR seem to have been taken into consideration adequately. References to the regional PPCR are being made throughout the whole document, especially to the regional track’s Capacity Development and Information Sharing Module, but also to its Advocacy and Policy Development Module. **We would like to emphasize that in our view linkages between the national and the regional tracks need to be given great attention during implementation in order to achieve the PPCR’s objective of strengthening cooperation and capacity and to enable sharing of lessons at the regional level.** However, the SPCR remains somewhat vague on how interaction and knowledge-sharing activities between national and regional activities will be established. **We therefore recommend that the SPCR clarify in some more detail how regular cooperation with the PPCR regional track will be brought about.**

Synergies with German Climate Change Related Engagement in the Country / Region

Currently, German development cooperation has no activities in St. Lucia. However, German development cooperation is working at the regional level with CARICOM. There has been an appraisal mission by GIZ in November 2010 for a regional proposal, which aims to foster marine and coastal protected areas in the CARICOM region. St. Lucia is part of this regional proposal. There are potential synergies between this proposal and St. Lucia's PPCR with regard to water management and conservation, coastal zone management, and ecosystem-based adaptation measures. We recommend that this regional proposal be considered during the next steps of the SPRC process in order to ensure best possible alignment with the activities of German Development Cooperat