

October 14, 2010

Inter-American Development Bank and World Bank response to comments made by the PPCR Sub-Committee on Saint Lucia's Phase 1 proposal

Dear PPCR Sub-Committee;

In response to the questions raised by the PPCR Sub-Committee regarding the regional framework for the Caribbean PPCR Program we would like to provide the following additional information:

The six countries participating in the Caribbean PPCR Regional Program, and key regional technical agencies including CDEMA, CCCCC, UWI, and CARICOM met in Washington DC in October 2009 to initiate the process to specify how to engage with the PPCR Caribbean pilot program to complement and support existing regional collaboration in the region. A follow up meeting happened in January 2010 and subsequently the First Joint Mission for the regional track took place in June 14 and 15 in Barbados. The first joint mission had the objective to further advance the specification on how the PPCR will complement existing regional collaboration and support the countries in developing their national SPCRs. The mission report from this joint mission provides clear indications on how the Caribbean wish to move forward with the regional element of the PPCR and indicates what type of activities that the region believes makes sense to address at a regional level. A background document on the Caribbean PPCR Regional-track framework based on the abovementioned mission report and other documents produced under the context of the program is attached for your reference. This document intends to demonstrate the PPCR process in the Caribbean and presents an outline that we hope will satisfy your questions and concerns.

The PPCR Regional-Track Phase 1 proposal is under development in close supervision and cooperation of the PPCR Caribbean Steering Committee (established by the countries and regional organizations themselves in order to manage the program in the region). This proposal will be discussed during a meeting of the PPCR Caribbean participating countries, regional organizations and development partners to take place on November 11th 2010, at the headquarters of the IDB in Washington DC. It is expected that this proposal will be submitted for endorsement by the end of 2010.

At this stage of the PPCR process in the Caribbean the individual participating countries are looking to enter into phase 1 where they, supported by PPCR grant, will be able to carry out additional analytical work needed to formulate their SPCR programs in the context of a wealth of ongoing regional collaboration. While the countries formulate their SPCRs during phase 1, the ongoing regional process will continue, and regional technical agencies along with their member states will specify implementation arrangements for how PPCR financing will support regional activities that will among other things ensure that: 1) lessons learned from the pilot will be captured and shared among all CARICOM members, 2) capacity for improving climate resilience is strengthened among regional technical agencies, 3) regional agencies existing comparative advantages regarding climate change are applied for the benefit of all member countries in the region.

We hope this additional information addresses the questions raised, and will be sufficient for the Sub-Committee to allow Saint Lucia, and subsequent Caribbean phase 1 proposals to move forward.

With kind regards,

The Inter-American Development Bank and the World Bank

Attachment:

**Pilot Program for Climate Resilience
Caribbean Regional-Track
Background Document - Regional Framework**

Document prepared by the Inter-American Development Bank and the World Bank

I. Background

1. The Caribbean accepted the invitation extended by the Pilot Program for Climate Resilience (PPCR) Sub-Committee on May 14th, 2009, to join the program as one of its two regional pilots. The Caribbean pilot consists of a regional approach that proceeds along two closely linked and complementary tracks (i) country based investments in six highly vulnerable nations—Haiti, Jamaica, Dominica, Grenada, St. Lucia, and St. Vincent and the Grenadines; (ii) region-wide activities including data management and monitoring for improving understanding of climate risks and potential impacts, as necessary to take actions to enhance climate resilience, coupled with activities to tackle risks and vulnerabilities common to all Caribbean countries. The regional track will work through key entities in the Caribbean region to provide the scientific analysis so that countries can incorporate climate resilience into their national climate change strategies as well as in regional planning strategies, policies and financing mechanisms. The two tracks will thus be synergistic—the regional activities will supplement and strengthen the country-led programs and activities and also extend public good benefits and lessons learned from the pilot program to all CARICOM member countries.

2. The dialogue with the PPCR participating countries, regional organizations, MDBs and development partners was initiated in late 2009. In October 2009, the IDB hosted the PPCR Caribbean Kick-off Meeting in Washington DC, which begun the dialogue on the Caribbean Regional PPCR program with the participating countries - St. Vincent and the Grenadines; Grenada; Saint Lucia; Haiti; Dominica and Jamaica and regional organizations - Caribbean Community (CARICOM) Secretariat; Caribbean Disaster Emergency Management Agency (CDEMA); Caribbean Community Climate Change Centre (CCCCC); OECS Secretariat; and the University of West Indies. The MDB teams provided an update on the program's framework and jointly with countries and regional organizations looked at the state-of-play of existing and planned regional activities on climate resilience. The result of this meeting was a preliminary assessment and identification of vulnerable sectors and an agreement which outlines five main areas of activities to be potentially developed under the PPCR regional track by Caribbean regional organizations. They are: 1) monitoring and climate modeling activities; 2) enabling environment (policy and institutional framework); 3) up-streaming sustainable land management (bringing the issue to the higher political level); 4) capacity building and awareness raising aimed at different levels, including sectors and policy makers; and 5) how to integrate climate change into development and budget planning (enable dialogues at the regional level with policy makers from

different sectors – e.g. Finance, Agriculture, Education, Water and the need for innovative financial mechanisms to support adaptation measures).

3. A follow up virtual meeting took place in February 2010, and had the participation of additional regional organizations (Caribbean Environmental Health Institute - CEHI and Caribbean Institute of Meteorology and Hydrology - CIMH) working on climate change related issues, together with the MDBs and development partners¹. The objective of the meeting was to discuss the options provided under the five main areas of activities previously identified and to incorporate relevant ideas/suggestions coming out of the scoping missions to the (6) six PPCR participating countries. The discussion of the meeting was centered around the following five points: **1) Coordination among stakeholders is imperative**; there was a common recognition that there are different climate change-related programs being implemented in the region and that there is concern that overlap or duplication might occur. In response to this issue, the IDB coordinated a database of these activities, including the tracking of the financing of the various climate change efforts in the region; **2) Definition of priority areas for PPCR regional intervention as next step**; it was suggested that a working session (roll – up sleeves meeting) should be used to formulate the priority areas together with developing a draft of the proposal for the development of the strategic program for the regional component of the PPCR; **3) Fostering existing regional initiatives to maximize PPCR impacts in the Caribbean**; with regards to the development of the Implementation Plan for the *Regional Framework for Achieving Development Resilient to Climate Change*, with funding support from DFID and developed by Caribbean Community Climate Change Centre, it was suggested that the PPCR could contribute to and supplement the Implementation Plan; **4) Governance of PPCR funds is a critical issue and needs prompt definition**; there was discussion on the governance structure of the regional activities of the PPCR, such as how decisions will be made, who will coordinate activities, how will funding be disbursed etc. Various ideas were presented such as the use of a task force, a steering committee, use of national focal points; and **5) Options for establishing a regional framework for the regional PPCR**; Need to use filters in framing the regional perspective (e.g. must have regional solutions; create knowledge and networking; create harmonization and methodologies etc.).

4. As a result of the meeting the following five (5) main lines of action were agreed as the main areas to be potentially developed under the PPCR regional track by Caribbean regional organizations (see Annex A). They are:

(i) Monitoring and climate modeling activities

¹ Participants included representatives from: CARICOM Secretariat; CCCCC; CDB; CDEMA; CEHI; CIMH; DFID; IDB; OECs Secretariat; UNDP; UWI – Mona; IDB and World Bank

(ii) Enabling environment (policy and institutional framework)

(iii) Raising the Political Profile of the Importance of Factoring in Climate Risks into Sustainable land-use management and Spatial Planning

(iv) Capacity building and awareness raising aimed at different levels, including sectors and policy makers

(v) Integration of CC into development and budget planning

5. Moreover, during the joint scoping and joint missions to the PPCR participating countries in the Caribbean, the MDB teams briefed relevant ministries and agencies on the PPCR regional track programming details and discussed potential benefits and the importance of the supportive role of the regional track to the development and implementation of the PPCR national Strategic Programs Climate Resilience (SPCRs). In addition in order to facilitate synergy between the regional and country tracks of the regional pilot as agreed to during the Regional First Joint Mission, a regional organization (University of the West Indies) took part in the First Joint Mission for Jamaica and the OECS Secretariat participated in the First Joint Mission for St. Lucia.

6. Based on the initial activities, and under the coordination and overall guidance of the PPCR participating countries and regional organizations, in accordance with the PPCR guidelines, the Inter-American Development Bank (IDB) and the World Bank Group (IDA/IBRD and IFC) organized the first joint mission for the Regional-track on June 14th - 15th, 2010 in Barbados. The mission was a two day, broad-based workshop that was comprised of government representatives from Haiti, Jamaica, Saint Lucia, Grenada, and Saint Vincent and the Grenadines; regional organizations - CCCCC, University of the West Indies (UWI) Climate Studies Group, CARICOM Secretariat, OECS Secretariat-Environment and Sustainable Development Unit, Caribbean Disaster Emergency Management Agency (CDEMA), Caribbean Development Bank, Caribbean Regional Fisheries Mechanism (CRFM); as well as the Climate and Development Knowledge Network (CDKN) and the development partners DFID, UNDP, CIDA, and International Union for the Conservation of Nature.

7. The purpose of the joint mission was to bring together all regional relevant stakeholders to discuss and agree on the objectives, activities, timeline and funding of the Caribbean Regional-track Strategic Program on Climate Resilience (Regional SPCR). The specific objectives of the joint mission were: (i) to reach an agreement on the governance structure of the PPCR regional-track; (ii) to draft an outline of the activities to be carried out in Phase 1 including work program, timetable, roles and

responsibilities; (iii) to draft a funding proposal for the development of the Regional Strategic Program for Climate Resilience (SPCR).

8. As a result of this meeting, a PPCR Regional-Track Steering Committee was created to act as an advisory group to provide guidance and make decisions on key issues during phase 1 such as agreeing on TORs for hiring consultants, coordination of the proposed and agreed activities for Phase 1, procedures to follow under the PPCR and related matters affecting the development of the Caribbean Regional-track PPCR Phase 1 program. Steering Committee members are representatives from: Haiti; Jamaica; 2 OECS countries (Grenada and Saint Lucia); DFID; UWI; CCCCC and CARICOM Secretariat. The CARICOM Secretariat will be a member of the steering committee to insure the interest of the non-PPCR participating countries from the region. The IDB is acting as secretariat for the Steering Committee.

9. In addition, the Intern-American Development Bank offered to sponsor the regional consultant to be based at the CCCCC to work full time on the Phase 1 of the PPCR Regional-track. The main activities to be developed by the consultant, but not limited to these areas include: (i) the development of activities 1, 2 and 3 identified under the regional implementation table (see Table 1 below); (ii) participation as much as possible in the country missions; (iii) engaging in consultations at both national and regional levels; (iv) preparation of a draft regional SPCR before the second joint mission of the regional-track to discuss and agree among the participants.

II. Stocktaking and Assessment:

10. All Caribbean countries are highly vulnerable to climate change. Expected main impacts include shifts in precipitation patterns, with more intense storms and longer dry spells, increased hurricane intensity and unrelenting sea-level rise. These unavoidable consequences of global warming are coupled with the fact that most are Small Islands, with the majority of their populations and main commercial activities on, or near, the coastline and with limited surface and groundwater resources.

11. The Caribbean states have a strong history of collaboration on the issue of climate change with a significant amount of analytical work already done or underway on regional adaptation to climate change projects. Regional projects such as the Caribbean Planning for Adaptation to Climate Change (CPACC); Adaptation to Climate Change in the Caribbean (ACCC) Project and Mainstreaming Adaptation to Climate Change (MACC), have supported countries with development of National Adaptation Plans and UNFCCC National Communications, and provide some lessons learned – particularly with regards to institutional arrangements and strengthening and knowledge sharing – which will help to inform the development of the PPCR regional pilot.

12. In 2002 the CARICOM Heads of Government established the Caribbean Community Climate Change Center (CCCCC) as a Center Of Excellence, which main objective is to coordinate the Caribbean region's response to climate change. The CCCCC is the official repository and clearing house for regional climate change data, providing climate change-related policy advice and guidelines to the Caribbean Community. The Centre has also assisted in the development of a regional climate change strategy, which was adopted at the level of heads of state. The strategy was adopted by 15 CARICOM Heads of State in May 2009 and specifically addresses climate change adaptation in the context of regional collaboration and is the Framework for regional collaboration on any climate change issues in the Caribbean including the PPCR. Furthermore the Caribbean also has a Strategy for Comprehensive Disaster Management (CDM) that for 2007-2012. Disaster Management in the Caribbean is very much related to climate variability. One of the objectives of the strategy is to help its member countries improve climate change resilience.

13. Moreover, additional regional organizations and development partners have been working in the Caribbean on climate change issues and their regional initiatives can be built upon through the PPCR. These include : University of West Indies; Caribbean Disaster Emergency Management Agency (CDEMA); Caribbean Regional Fisheries Mechanism (CRFM); CARICOM Secretariat, OECS Secretariat, Caribbean Institute for Meteorology & Hydrology (CIMH); International Union for the Conservation of Nature (IUCN); Caribbean Environmental Health Institute (CEHI); IDB; WBG; United Nations Development Program (UNDP); Department for International Development (DfID); Canadian International Development Agency (CIDA); and the Caribbean Development Bank.

III. PPCR Preparation and Implementation

14. The regional track of the PPCR aims to provide financing for critical activities with medium and long-term implications which must be done at a regional scale (e.g. monitoring of sea level rise, sea surface temperatures, coral reef health) and support the development of harmonized approaches, promoting cross-learning and potential for replication across the Caribbean. PPCR resources could also be used to engage regional institutions and countries in the development and use of models and tools that, tailored to a country's needs, would progress towards integration of climate resilience into relevant plans.

15. In addition, all Caribbean states would be able to benefit from the regional activities through regional workshops and training events, dissemination of lessons, and provision of regionally relevant information, such a monitoring of sea level rise and ocean temperatures.

16. However, it is critical that PPCR avoids duplicating activities that are already on-going. Cooperation and synergy have already been established with other ongoing regional and national programs addressing climate resilience and adaptation. Partnering with such related programs and building on achievements will enable the PPCR regional track moving into the investment phase much more swiftly.

17. Overall, the PPCR regional track Phase 1 preparation will draw upon expertise from, and complement planned and ongoing initiatives by the regional organizations, and bilateral and multilateral development partners. A number of regional initiatives developed by those organizations are already underway and can be built upon through the PPCR. During the First Joint Mission for the Regional-track (June 14-15, 2010) all participants took part in a stock-taking exercise which was built on earlier discussions. Previous, current, and possible future climate resilience activities in the Caribbean were discussed and a matrix was completed containing all the information. In addition, participants identified the linkages of the climate resilience activities with the CARICOM-endorsed “Regional Framework for Achieving Development Resilient to Climate Change (2009-2015)”.

IV. Country Priority Areas/Sectors and Links to Possible Regional Activities:

18. Based on preliminary work and consultations that have been done during the scoping missions and subsequently, the following preliminary priority sectors/areas have been identified by the countries. These priorities, however, will need to be finalized by broad base consultations which will take place during the official Joint Missions. Joint missions have been done for all countries participating in the regional pilot with the exception of Dominica. A regional joint mission has also been undertaken.

Haiti: Agriculture and food security, coastal zone management and reconstruction (sectors/themes) are the main areas, with sub-sectors/themes being tourism, infrastructure and land planning and data management.

Jamaica: Agriculture, land-use planning, health, water resources, integrated coastal zone management, climate proofing of national and sectoral plans, tourism, and data management.

Saint Vincent and Grenadines: Monitoring and evaluation of environmental hazards, watershed management, public sensitization and awareness, integrated planning, and data management.

Grenada: Integrated water resource management, capacity building at the sector level, and data capture and management.

Saint Lucia: Agriculture, coastal and marine resources, financial sector, forestry, biodiversity, health, human settlement, critical infrastructure, tourism, and water resource management. Data needs were also highlighted for Saint Lucia particularly the need for Bathometric and Hydrometric data.

19. Countries’ priority areas/sectors have been compared against the previously identified (5) five main sets of activities to be potentially developed under the PPCR Regional-Track (Annex A). The result of this exercise was a prioritization of regional

activities and preliminary actions for the regional-track program and the identification of areas in which the regional PPCR activities could support and complement country level PPCR activities.

20. General Findings:

- (1) Countries understand that engaging and accessing the resources of the regional organizations is essential to the development and implementation of country-driven activities and welcome the participation of the regional organizations in the official joint missions;
- (2) Data management and information sharing between regional and national agencies have been identified as an immediate need of the countries that should be met by regional organizations.
 - a. Data and information sharing (Regional Platform which can be easily accessed and utilized in multiple uses and forms)
 - b. New data collection for priority sectors / sea-level rise
- (3) There is an urgent need for support for strengthening enabling environments for effective implementation of the program.
 - a. Tools and training for capacity-building
 - b. Climate Proofing national and sectoral plans
- (4) Need to understand what is underway and who is doing what - mapping of activities.

21. Identification of Activities for Phase I Regional Track: The following activities have been agreed upon by the participants as Phase I regional activities:

- (1) Stakeholder mapping to understand what is being done and by whom.
- (2) CCCCC clearing-house under development – assess whether PPCR could support specific interactive elements of this program.
- (3) Assess what tools / training / data collection needs are most urgent to strengthen the implementation of the national programs (these will be informed by country joint missions). As well as by priorities identified by countries during regional joint mission. (See Annex A)
- (4) Regional organizations dialogue – to build commitment for meeting identified sectoral needs and filling data gaps.
- (5) Pilot a Climate-Proofing Service – for national and sectoral plans
- (6) Identify knowledge management tools for sharing of lessons learnt beyond the Pilot countries to others in the Caribbean.

V. PPCR Regional-Track Activities, Implementation Modalities, and timeline (Table 1).

Activity	Implementation Modalities	Funding	Work Needed	Duration
1. Identification of Resources – Stakeholder and programme mapping. Knowledge product to be hosted on Clearing House platform	<ul style="list-style-type: none"> - CCCCC - CDKN 	<ul style="list-style-type: none"> - DFID - CDKN 	<ul style="list-style-type: none"> - Stakeholder and information analysis, institutional assessment and capability, consultants. Formal agreement/ commitment 	2 months (Interim product) 5 months – Final web based on line product following consultations
2. Clearing House Mechanism	<ul style="list-style-type: none"> - CCCCC - PPCR - Countries 	<ul style="list-style-type: none"> - PPCR - CDB 	<ul style="list-style-type: none"> - Specifications for CH structure, platform design, accessibility, knowledge management and learning, other data formats - Consultations: Country and technical 	3 months
3. Needs Assessment to identify tools, training & data gap analysis etc for implementing PPCR	<ul style="list-style-type: none"> - PPCR (Consultant) 	<ul style="list-style-type: none"> - PPCR (link with Implement. Plan) 	<ul style="list-style-type: none"> - Consultation (with regional organizations and countries especially for data gap analysis) - Documentation 	3 months
4. Regional Dialogue	<ul style="list-style-type: none"> - CARICOM SEC. - OECS 	<ul style="list-style-type: none"> - PPCR 	<ul style="list-style-type: none"> - Mobilisation 	End of Month 3
5. Climate Proofing Screening Tool - national and sectoral plans	<ul style="list-style-type: none"> - CCCCC - PIOJ - CIMH - CDEMA 	<ul style="list-style-type: none"> - PPCR - Other Donors - CDB 	<ul style="list-style-type: none"> - Scoping Exercise - Key sectoral gaps and needs in climate resilience - Development of template & tool kits 	5 months
6. Knowledge Management - Identify knowledge management tools for sharing lessons learned for wider Caribbean use	<ul style="list-style-type: none"> - UNDP - CCCCC - UWI - CIMH - Other partners 	<ul style="list-style-type: none"> - PPCR - Other Donors including CDB 	<ul style="list-style-type: none"> - Needs assessment - Resource - Identification of case studies, lessons learned and best practices 	On-going Concept of a broad network of specialized agencies linking with the 5Cs in information management and dissemination

VI. Future activities

22. The PPCR Regional-Track Phase 1 proposal is under development in close supervision and cooperation of the PPCR Caribbean Steering Committee. This proposal will be discussed during a meeting of the PPCR Caribbean participating countries, regional organizations and development partners to take place on November 11th 2010, at the headquarters of the IDB in Washington DC. It is expected that this proposal will be submitted for endorsement by the end of 2010.

ANNEX A: PPCR Caribbean – Regional Track – Early document on possible regional activities

This document was developed by the PPCR Caribbean participating countries and key regional organizations during the Caribbean Kick-off Meeting (Oct 28-29, 2009, held at IDB's Headquarters) and further developed during the Videoconference held on February 1st, 2010. This document also reflects some of the ideas/suggestions coming out of the scoping missions to the PPCR countries in the region. This outline states the five main topics as the main areas to be potentially developed under the PPCR regional track by Caribbean regional organizations. The options provided under the five headings are intended to assist future discussions on the regional program.

The proposed options for regional activities under the PPCR Regional Caribbean are as follows:

1. Monitoring and climate modeling activities

1.1 Strengthening climate change modeling and monitoring capacity of regional organizations or regional group – e.g. strengthen the modeling group of CCCCC/UWI/CIMH/INMET.

1.2 Development of standards/protocols for collecting and managing data – this would also include improving the human and institutional capacity to collect and manage data. Development/implementation of Disaster Risk Management and Climate Change adaptation indicators in key economic sectors. Within this context, there could be the development of standards/protocols related to monitoring, evaluation and reporting of these indicators.

1.3 Strengthening monitoring capacity by increasing the number of monitoring stations in the Caribbean especially in those countries with very limited resources e.g. Haiti. Provide pertinent training of maintenance, data collection and analysis.

1.4 Strengthen linkages between regional modeling and monitoring networks with the PPCR pilot countries.

2. Enabling environment (policy and institutional framework)

2.1 Expansion of the Comprehensive Disaster Risk Management program in the Caribbean; Insure greater integration of DRM approaches with measures to integrate resilience to climate change (including measures to manage the impacts of climate change over the medium and longer-term) in the Caribbean, consider using pilot countries of the PPCR as case studies.

2.2 There is an opportunity for the expansion of policy/legal framework to deal with issues related to climate change e.g. revamping of the land use or spatial planning legislation in the Caribbean to incorporate climate change resilience; development of new land codes/practices and guidelines.

3. Raising the Political Profile of the Importance of Factoring in Climate Risks into Sustainable land-use management and Spatial Planning

3.1 What are the outreach opportunities or options for “upstreaming” the issues to the political level?

3.2 What is the role of regional organizations to facilitate awareness raising at the political levels?

4. Capacity building and awareness raising aimed at different levels, including sectors and policy makers)

4.1 Development and/or expansion of a platform for sharing information/data/best practices/case studies to all members states (in all major languages used in the Caribbean – English, French, Spanish and Dutch). Is there an existing platform that can be used for these purposes?

4.2 Development of practical/user-friendly CC training packages for:

- Policy/decision makers of key vulnerable economic sectors
- High level politicians
- Public awareness and communities

4.3 Provide training on climate change modeling to scientists in the Caribbean (particularly those who are not part of the Caribbean climate modeling group and may have less capacity).

4.4 Provision of “adequate information” on climate change and the impact of climate change in selected productive sectors.

4.5 Strengthening regional coordination, planning and active participation in the UNFCCC.

5. How to integration of CC into development and budget planning

5.1 Enable dialogues at the regional level with policy makers from different sectors – Planning, Finance, Agriculture, Education, Water, etc.)

5.2 Need for innovative financial mechanisms to support the implementation of adaptation measures in the different sectors e.g. explore use of carbon taxes/levies and how PPCR can provide seed funding to support piloting and/or scaling-up of such financial mechanisms.

Leverage of additional funds to complement PPCR funding should be envisaged for all abovementioned activities.