

Caribbean BlueFin (Caribbean Blue Economy Financing Project)

Part I: Project Information

GEF ID

10782

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

CBIT No

NGI No

Project Title

Caribbean BlueFin (Caribbean Blue Economy Financing Project)

Countries

Regional, Bahamas, Dominican Republic, Grenada, St. Lucia, St. Vincent and Grenadines

Agency(ies)

UNEP

Other Executing Partner(s)

Caribbean Biodiversity Fund (CBF)

Executing Partner Type

Others

GEF Focal Area

International Waters

Taxonomy

Acquaculture, International Waters, Focal Areas, Climate Change, Climate Change Adaptation, Small Island Developing States, Climate finance, Climate information, Ecosystem-based Adaptation, Climate resilience, Community-based adaptation, Private sector, Biodiversity, Protected Areas and Landscapes, Productive Seascapes, Community Based Natural Resource Mngt, Coastal and Marine Protected Areas, Financial and Accounting, Payment for Ecosystem Services, Conservation Trust Funds, Conservation Finance, Mainstreaming, Fisheries, Tourism, Sustainable Development Goals, Coastal, Strategic Action Plan Implementation, Biomes, Seagrasses, Mangrove, Coral Reefs, SIDS : Small Island Dev States, Learning, Large Marine Ecosystems, Marine Protected Area, Influencing models, Strengthen institutional capacity and decision-making, Deploy innovative financial instruments, Convene multi-stakeholder alliances, Stakeholders, Type of Engagement, Information Dissemination, Consultation, Participation, Partnership, Communications, Education, Strategic Communications, Awareness Raising, Behavior change, Public Campaigns, Civil Society, Academia, Non-Governmental Organization, Community Based Organization, Private Sector, Financial intermediaries and market facilitators, SMEs, Project Reflow, Individuals/Entrepreneurs, Large corporations, Local Communities, Gender Equality, Gender Mainstreaming, Beneficiaries, Sex-disaggregated indicators, Gender results areas, Participation and leadership, Knowledge Generation and Exchange, Capacity Development, Capacity, Knowledge and Research, Indicators to measure change, Enabling Activities, Innovation, Knowledge Generation, Workshop, Knowledge Exchange, Peer-to-Peer, Conference

Rio Markers**Climate Change Mitigation**

Climate Change Mitigation 1

Climate Change Adaptation

Climate Change Adaptation 1

Duration

48 In Months

Agency Fee(\$)

570,000.00

Submission Date

3/24/2021

A. Indicative Focal/Non-Focal Area Elements

Programming Directions	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
IW-1-1	GET	6,000,000.00	43,427,990.00
	Total Project Cost (\$)	6,000,000.00	43,427,990.00

B. Indicative Project description summary

Project Objective

To create and strengthen nature-based Blue Economy opportunities and approaches in the Caribbean through innovative financing mechanisms.

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
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Utilizing Blue Economy principles to develop regional Caribbean Ocean finance mechanisms (FMs), with a focus on private and productive sector partnerships.	Technical Assistance	<p>Outcome 1:</p> <p>Improved access to funding through Blue Economy interventions and generation of resources from regional FMs targeting national and regional marine and coastal priorities using the TNC Mapping Ocean Wealth methodology.</p>	<p>Output 1.1.</p> <p>By project end, at least 3 regional Ocean FMs generating a total of at least \$300k- \$600k per year thereafter for large-scale, long-term and reliable funding that prioritizes marine and sustainable use of coastal biodiversity and other ocean resources, including transboundary resources, through the deployment of innovative financial instruments.</p> <p><i>3 categories of mechanisms that will be targeted are as follows:</i></p> <p><u>Conservation Finance:</u> Payments for Ecosystem Services, MPA Partnership(s) focused on blended finance / impact investment mechanisms, developing green/blue credit cards with regional banks, impact investment in MMAs and Tourism Enhancement Funds with Hotel and Tourism sector.</p> <p><u>Climate Finance:</u> Corporate Social Responsibility (CSR) campaigns with telecom and carbon offset mechanism for regional shipping companies, climate finance through initiatives such as a Blue Carbon and coastal ecosystems insurance approach.</p> <p><u>Circular Economy Finance:</u> financial returns from regional phone return or other campaigns with telecom companies.</p>	GET	1,655,000.00	18,914,330.00
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Enabling systems created and supported in order to facilitate Private Sector Participation in Caribbean Blue Economy and Business opportunities.	Technical Assistance	Outcome 2 Improved business practices and enabling policies for Private Sector participation in Blue Economy and Business opportunities.	Output 2.1 Incentives and interest created in Blue economy and business opportunities targeting at least 2 private sector activities that have positive impacts on marine/coastal ecosystems, achieve cost savings and may contribute to long-term FMs. Output 2.2 Enabling governments and other governance/coordination mechanisms to facilitate the ease of doing Blue Economy and Business initiatives, targeting support for private sector engagement in target sectors including tourism, fisheries and shipping.	GET	1,129,000.00	18,214,330.00
A regionally based Blue Business and Economy Hub developed to provide socioeconomic opportunities which support marine and coastal conservation and sustainable use.	Technical Assistance	Outcome 3 Small/medium business partnerships throughout the region informed using a Blue Business and Economy Hub with key insights that will lead to increased livelihoods, income, and which help reduce pressures on marine and coastal resources, resilience and adaptation of Caribbean coastal communities.	Output 3.1. Blue Business Hub designed to collect, coordinate, promote and harness Blue Economy information from Component 4 and other efforts in the wider Caribbean (e.g., PROCARIBE+) that support the development of regional business arrangements that can create Blue Business and Economy activities, including FMs, at all levels. Examples of activities to be supported could include marine businesses such as biotechnology and aquaculture, and high-tech marine services.	GET	2,243,000.00	1,400,000.00

Output 3.2

At least 4 targeted Blue Business interventions (value chain research) in project countries identified, designed and implemented in collaboration with relevant stakeholder groups (communities, private sector organizations, local & national authorities) based on case studies and data from the Hub. Tools such as TNC's Mapping Ocean Wealth will be utilized in identifying priorities.

Output 3.3

Based on the Blue Business Hub design and lessons from the above, a portfolio of business plans/opportunities for replication and up-scaling via investment from the sustainable finance mechanisms will be developed.

Socializing, scaling, and replication of the BluEFin approach regionally.	Technical Assistance	Outcome 4 Increased knowledge of blue economy business opportunities, valuation and decision tools and sustainable finance mechanisms used by relevant stakeholders.	Output 4.1 Knowledge and Learning Activities, including (i) Creation of Caribbean Community of learning in Conservation Finance, including outreach and sensitization. (ii)Program established to scale up activities, impacts and lessons learnt in the region on Blue Economy Solutions, particularly key components for Sustainable Finance development. (1% of budget allocated to IWLEARN activities).	GET	687,286.00	2,799,330.00
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	Sub Total (\$)	5,714,286.00	41,327,990.00
Project Management Cost (PMC)			
	GET	285,714.00	2,100,000.00
	Sub Total(\$)	285,714.00	2,100,000.00
	Total Project Cost(\$)	6,000,000.00	43,427,990.00

C. Indicative sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Other	Caribbean Biodiversity Fund	In-kind	Recurrent expenditures	4,200,000.00
Donor Agency	Germany (KFW)	Grant	Investment mobilized	30,830,000.00
Donor Agency	France (AFD/FFEM)	Grant	Investment mobilized	4,825,000.00
Donor Agency	GIZ	In-kind	Investment mobilized	3,572,990.00
Total Project Cost(\$)				43,427,990.00

Describe how any "Investment Mobilized" was identified

The efforts of the BluEFin project will play a vital role and be part of a suite of investments that have started or will soon start under the Sustainability Action Plan for the Caribbean Sustainable Finance Architecture established in 2019. With ten (10) operational Caribbean trust funds and funding now starting to flow to on-the-ground and water conservation projects, the Caribbean Sustainable Finance Architecture (CSFA) is at a pivotal point in its evolution. This is a time to take stock of the CSFA and set in motion a Plan of Action to support its full and effective operations and consolidation, and long-term sustainability. Since the design of the Action Plan, the economic effects of the recent pandemic emphasize the need for innovation and efforts for long-term, targeted funding sources for conservation efforts throughout the region. As per the GEF co-financing guidelines, the items listed as "Investment Mobilized" are relevant investments that are not operational recurring costs. Co-financing activities in direct support of this project will be provided by the CBF through the secretariats of the CBF and National Conservation Trust Funds in the design of ideas and development of financial mechanisms including the hosting of workshops and other consultations at the national and regional levels. The parallel investment mobilized by the French Government jointly through AFD and FFEM consists of a Grant that CBF will be implementing through the Caribbean Regional Architecture for Biodiversity (CRAB) Project as of Summer 2021. The CRAB Project objective is "the conservation of ecosystems in the Caribbean that are sustainable and have sufficient resources". To achieve its objective, the project has identified 3 broad lines of action: strengthening the financial and operational capacities of the Architecture, positioning the Architecture as a key player in regional approaches to conservation issues, and strengthening the capacity of the network to respond to local and regional needs, especially in the context of emergency responses such as the COVID-19 pandemic. There is also investment mobilized from the KFW's CBF Endowment Phase III which is currently being implemented by the CBF. Major activities will involve creating sub-accounts and payments for countries in the architecture. Parallel investment (managed by a project partner, GIZ in-kind) will also be mobilized through the Establishment of sustainable financing mechanisms for the Marine Protected Areas (MPA) in Small Island Developing States (SIDS) in the Caribbean "SMF" project. The project aims to improve the protection of the global public goods - climate, environment and biodiversity - and adaptation to the impacts of climate change in keeping with the voluntary undertakings of the Caribbean states as part of international climate and environmental protection.

The CRAB and SMF projects both have components directly supporting the design of financial mechanisms at the national and regional levels that will support the work under this project.

D. Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNEP	GET	Regional	International Waters	International Waters	6,000,000	570,000	6,570,000.00
Total GEF Resources(\$)					6,000,000.00	570,000.00	6,570,000.00

E. Project Preparation Grant (PPG)

PPG Required **true**

PPG Amount (\$)				PPG Agency Fee (\$)			
150,000				14,250			
Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNEP	GET	Regional	International Waters	International Waters	150,000	14,250	164,250.00
Total Project Costs(\$)					150,000.00	14,250.00	164,250.00

Core Indicators

Indicator 2 Marine protected areas created or under improved management for conservation and sustainable use

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
1,092,720.00	0.00	0.00	0.00






Indicator 2.1 Marine Protected Areas Newly created

Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
0.00	0.00	0.00	0.00

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
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Indicator 2.2 Marine Protected Areas Under improved management effectiveness

Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
1,092,720.00	0.00	0.00	0.00

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Bahamas		Others	946,680.00						
Dominican Republic		Others	140,355.00						
Grenada		Others	3,300.00						
Saint Lucia		Others	1,125.00						
St. Vincent & the Grenadines		Others	1,260.00						

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2348170.00	0.00	0.00	0.00

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2,348,170.00			

Indicator 4.2 Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations (hectares)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.4 Area of High Conservation Value Forest (HCVF) loss avoided

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Documents (Please upload document(s) that justifies the HCVF)


Title	Submitted
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Indicator 7 Number of shared water ecosystems (fresh or marine) under new or improved cooperative management

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)

Shared water Ecosystem	Caribbean sea			
Count	1	0	0	0


Indicator 7.1 Level of Transboundary Diagnostic Analysis and Strategic Action Program (TDA/SAP) formulation and implementation (scale of 1 to 4; see Guidance)

Shared Water Ecosystem	Rating (Expected at PIF)	Rating (Expected at CEO Endorsement)	Rating (Achieved at MTR)	Rating (Achieved at TE)	
Caribbean sea	4				


Indicator 7.2 Level of Regional Legal Agreements and Regional management institution(s) (RMI) to support its implementation (scale of 1 to 4; see Guidance)

Shared Water Ecosystem Rating (Expected at PIF) Rating (Expected at CEO Endorsement) Rating (Achieved at MTR) Rating (Achieved at TE)

Indicator 7.3 Level of National/Local reforms and active participation of Inter-Ministeral Committees (IMC; scale 1 to 4; See Guidance)

Shared Water Ecosystem	Rating (Expected at PIF)	Rating (Expected at CEO Endorsement)	Rating (Achieved at MTR)	Rating (Achieved at TE)	
Caribbean sea	2				

Indicator 7.4 Level of engagement in IWLEARN throgh participation and delivery of key products(scale 1 to 4; see Guidance)

Shared Water Ecosystem	Rating (Expected at PIF)	Rating (Expected at CEO Endorsement)	Rating (Achieved at MTR)	Rating (Achieved at TE)
Caribbean sea	1			

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	116,713			
Male	116,252			
Total	232965	0	0	0

Part II. Project Justification

1a. Project Description

1) The global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)

Coastal and marine resources - coral reefs, mangroves, seagrass beds, tidal marshes, and beaches - are critical economic drivers in the Caribbean region.

The world is waking up to the importance of **blue economies** and **blue businesses**, a future in which the livelihoods of more and more people are linked to the ocean and in which the ecosystems that support those livelihoods are protected. The Caribbean Sea Large Marine Ecosystem (LME) directly supports the economies of 34 coastal and small island countries and territories. This natural resource has the potential to make a tremendous contribution to poverty reduction and shared prosperity for the region's growing population of 40 million, and to increase their resilience to climate change.

o **Tourism benefits:** The Caribbean is among the most tourism-dependent regions in the world. Tourism alone generates approximately US \$22 billion in annual revenues to the region, accounting for at least 30% of GDP in 9 countries and at least 25% in four of the five project target countries: St. Vincent and the Grenadines, Grenada, Saint Lucia, and Bahamas. In the Dominican Republic, the figure is 16%. There are 29M annual visitors (mostly from US & Europe). Tourism supports 2.4M jobs region-wide (13.5% of total; ~261,810 jobs in DR, ~63,720 in The Bahamas, ~38,500 in St. Lucia, ~9,680 in Grenada, and ~6,820 in Saint Vincent and the Grenadines) ([2019 data](#)). Most tourism is in the coastal zone, centered on the hospitality sector (hotels, other accommodations). The Caribbean's marine/coastal resources - beaches, coral reefs, mangroves, fisheries and wildlife - are indispensable assets for the sector. At the regional level, across boundaries, the CSFA has been in discussions with the Caribbean Hotel and Tourism Association and the Caribbean Alliance for Sustainable Tourism. In addition, under the Caribbean Challenge Initiative key partners including Sandals, with a number of hotels in the countries and across the region and their foundations are already making contributions in the marine conservation arena.

o **Coral reef benefits:** Coral reef ecosystems contribute nearly \$10 billion per year to economies across the region. According to World Resources Institute, annual loss in net revenues from tourism due to ongoing coral reef degradation in the Caribbean between 2000 and 2015 is estimated to range between US \$100 - 300 million. An analysis [The Coral Reef Economy](#) done by UNEP, International Coral Reef Initiative (ICRI), and The Prince of Wales' International Sustainability Unit (ISU) found that a healthy coral reef scenario is expected to deliver additional economic benefits amounting to \$34.6 billion in the Mesoamerica Reef, between 2017 and 2030.

o **Fisheries benefits:** Region-wide, over 200,000 people are directly employed as fishers, and over 1.5 million people rely on the fisheries sector for livelihoods, income, and food security. Fisheries generate US \$1.2 billion annually in export earnings across the region (NOAA).

- o **Storm protection and shoreline erosion benefits:** The region's marine and coastal resources provide green infrastructure that protects coastal communities and built infrastructure against storms (particularly against flood damage). Strong empirical evidence now links healthy coral reef and mangrove ecosystems with strengthened coastal resilience and adaptive capacity for coastal communities. For example, studies show that healthy coral reefs can reduce about 97 percent of wave energy (Smithsonian), and healthy mangroves ecosystems can reduce 66 percent of wave height, thereby decreasing storm surge, erosion and flood risk, reducing fatalities, and saving money from avoided damage. Healthy coral reef, mangrove, and seagrass ecosystems reduce shoreline erosion (including beach erosion), generating significant economic benefits (e.g., avoided beach restoration costs).
- o **Carbon storage and sequestration:** Coastal ecosystems including mangroves, tidal marshes and seagrass meadows contain large stores of carbon deposited by vegetation and various natural processes over centuries. These ecosystems sequester and store more carbon - often referred to as 'blue carbon' - per unit area than terrestrial forests. The ability of these vegetated ecosystems to remove carbon dioxide (CO₂) from the atmosphere makes them significant net carbon sinks, and they are now being recognized for their role in mitigating climate change. See [here](#).
- o **Shipping Sector:** With 351 ports, 16 oil refineries, 51 tanker terminals and over 15 different types of ships transiting, the Caribbean is a marine area that is growing in global relevance and is in a convenient position to capitalize on economic and trade expansion as well as steep increases in both maritime and inland waterway transport volumes. Services are provided by international shipping lines providing access from the islands directly to the USA or Europe, and to regional hubs as well as other islands. The region now enjoys approximately 170 regular shipping services, with over 650 vessels in operation, distributed over approximately 70 shipping lines, with a total fleet capacity of over 2,100,000 TEUs. The informal or schooner sector, active mostly in the Leeward and Windward islands, is characteristically a local industry with local operators operating small ships with cargo capacity of less than 500 tons. Data on trade in CARICOM shows that intra-regional trade accounts for approximately 14% of total trade compared to over 60% for the European Union and intra-regional exports represent only 6% of the regions total trade.

Despite this clear connection to economic growth and prosperity, social equity, and sustainable development overall, marine and coastal ecosystems across the Caribbean have been steadily declining. As highlighted in the Caribbean and North Brazil Shelf Large Marine Ecosystems Transboundary Diagnostic Analysis (CLME TDA's) and subsequent related work over-fishing, unsustainable coastal development, land and marine-based pollution, invasive species, and climate variability and change remain major concerns for the region.

- o **Coral:** The Caribbean LME's coral reef systems are more degraded and threatened than those of any other region. Over 75% are threatened. [The Status and Trends of Caribbean Coral Reefs: 1970-2012 report](#) jointly published by the International Coral Reef Initiative's (ICRI) Global Coral Reef Monitoring Network (GCRMN), the International Union for the Conservation of Nature (IUCN), and the United Nations Environmental Programme (UNEP) revealed that there was more than 50% decline in living corals throughout the Caribbean over the past half century.
- o **Mangroves:** The total global area of mangroves was estimated to be 137,760 km² in 2000 (Giri et al 2010). More than half of the world's original mangrove forest has been lost due to anthropogenic activity. For North & Central America & the Caribbean coverage in 2016 was 21,072 ha, with an annual change of -0.36% between 1996 and 2016 (see [link](#)). Conversion for shrimp and fish aquaculture has accounted for between 20 and 50% of the total lost mangrove area worldwide. Over-exploitation of wood products, coastal development and urbanization, and diversion of freshwater flow are other major drivers of loss. Current data suggests an annual loss rate of 0.21% annually between 1996 and 2016.

- o **Fish stocks:** Many studies indicate that nearly all of the important fish stocks in the region - in terms of commercial value as well as food security - have been fully exploited or depleted. According to the UN Food and Agriculture Organization, the total fish catch for 2010 of 1.25 million tons is substantially lower than the ± 1.79 million tons caught annually in the late 1990s and during the first years of the new millennium.
- o **Shoreline erosion:** Across the region, shoreline erosion has been accelerating, due to rising sea levels and increased storm frequency/intensity from climate change, sand mining and unsustainable development, i.e. beachfront and seabed construction and indiscriminate anchorage. Beach erosion is particularly damaging to the tourism sector. The breakdown of the natural beach creation process (which relies on healthy reefs and seagrass beds) is a contributing factor. One study of beach monitoring data has shown an average beach erosion rate of 0.5 meters per year in eight Caribbean islands over the period 1985 - 2000, with elevated erosion rates in those islands impacted by a higher number of hurricanes.
- o **Pollution and sedimentation from inland activities:** The transfer of chemicals, nutrients and sediments from unsustainable agriculture and untreated wastewater and other inland mismanagement pose significant risks to the integrity of coastal ecosystems and the provision of ecosystem services throughout the region.
- o **Sargassum and other marine invasive species:** High seasonal sargassum abundance with ecological and economic impacts has been reported throughout the region. Impacts include reduced fisheries landings, reduced tourism visitation, impacts on public health and wildlife, including the degradation of seagrass meadows. Over 25 other marine exotic species have also been identified in the region (Krauss, 2006).

The root causes as identified in the CLME TDA include amongst others **(i) limited financial resources**; and **(ii) inadequate consideration of the value of ecosystem goods and services**. Moreover, there is a significant disconnect between the economic value of Caribbean marine and coastal resources and the level of investment especially from the private sector users to conserve, restore and better manage these resources.

This disconnect is largely linked to five barriers:

- o **Barrier #1: Inadequate, poorly understood information on economic values for natural assets**

Governments, businesses and communities have not had adequate information on the economic values of specific marine and coastal ecosystems. Even in countries/sites where economic valuation studies and models have been applied, they have often been incomplete (e.g., omitting values for coastal defence against climate change). In addition, many of the valuation models used in the past are outdated. Also, many of the valuation studies undertaken in the past were not designed to generate action-oriented and practical decision tools to help inform and catalyse needed action often at national and even local levels. With respect to the adoption of more biodiversity-friendly business practices in the hotel & tourism sector specifically, barriers include: (i) lack of understanding of cost savings opportunities; (ii) lack of knowledge, training & technical support; (iii) operational difficulties shifting to new practices; (iv) limited inclusion of biodiversity & ecosystem criteria in certification schemes; and (v) legal and regulatory gaps with respect to sustainable practices.

- o **Barrier #2: poor enabling environment for private sector investment**

As the region works through and beyond the COVID-19 pandemic, the scope of interest of the private sector will evolve. Corporate interests have increasingly recognised their role beyond sponsors and funders, acknowledging their impact and role as citizens and being engaged in economic solutions including changes in their systems to ensure blue and green best practices. The CBF has prioritized as an engagement area private sector

interest in investment in conservation. There is a need to make the process of private sector involvement in long-term conservation initiatives easier. Systems and processes are currently bureaucratic, targeting the complex mechanisms of governments and donors - requiring specific agreement designs and accommodating long processes. In addition, private sector is normally seen in conservation resources mobilization efforts only as a source of funding and not as a full partner. This has hindered their engagement.

o **Barrier #3: Need for support to establish sustainable finance mechanisms.**

While significant progress has been made to date in establishing the Caribbean Sustainable Finance Architecture as a way to address this matter, further support is required. Governments, businesses, and communities have not had adequate capacity and training - and in some cases the will - to establish new sustainable finance mechanisms and particularly at the regional level. For the Architecture to be fully functional, and its potential maximized, new financial mechanisms need to be developed and promoted according to the countries and region's needs. Conducting or reviewing existing efforts can serve as tools to obtain better information on the financial needs and willingness to pay from different actors to establish these mechanisms and ensure their sustainability. The recent [EcoAdvisors Report](#) on Potential Blue Finance Investors prepared by the CLME+ project identifies over 15 barriers to increasing investment towards Blue Economy (2021). CSFA efforts to date in establishing financial mechanisms have targeted national approaches through the National Conservation Trust Funds and their stakeholders. At the sub-regional and regional levels, there has been none or limited efforts to develop financial mechanisms.

o **Barrier #4: Inadequate decision-support tools.**

Governments, businesses, and communities have not had adequate access to and training in the use and application of decision-making tools that account for the full values of marine and coastal ecosystems, reflect cost-benefit and trade-off considerations under the blue economy umbrella, and cover various geographic scales and types of decisions. A wide range of decision-support tools are needed for well-informed decision-making and timely action (e.g., to inform decisions on declarations of new marine protected areas, seascape and EEZ-wide zoning, construction of new coastal developments, allocation of land for new types of investment, and "greening" business models for tourism companies). While some efforts have been made in terms of policy development and government support, very little effort has been made at approaching and incorporating private sector decision-making and action-oriented champions into the process.

o **Barrier #5: lack of significant actions at the sub-regional and regional scale**

"Already the global blue economy, through fisheries, aquaculture, coastal and marine tourism, ports, shipping, marine renewable energy and many other activities, generates global value added of over USD 1.5 trillion, a figure that is projected to double by 2030. The Caribbean SIDS face acute development challenges: small population size, limited opportunities to diversify their economies, inability to achieve economies of scale in production, weak institutional capacity. There is an irony and paradox in this: collectively, 10 Caribbean SIDS together enjoy an exclusive economic zone (EEZ) of 1.25 million square kilometres. That's a sea area exclusively available to these countries to develop, of 23 times their collective land area."^[1] While there are range of initiatives looking at addressing marine environmental issues at the national level, there is a lack of coordination and collaboration at the sub-regional and regional levels to tackle transboundary issues. Despite a number of intra-regional governmental efforts and development of plans and policy-related interventions, there has been limited actions to materialize effectively these sub-regional/regional interventions to proactively address transboundary marine issues and results on the ground and in the water beyond national efforts. This barrier in combination with barrier 3, has resulted in lost investment opportunities and duplication of efforts leading to an overall inefficient use of available resources.

The proposed project will aim to overcome the above mentioned barriers by enhancing the financial capacity of the select islands and creating the enabling environment for private sector involvement and investment in protecting the marine environment through finance mechanisms with “win-win” solutions for Caribbean companies and Conservation Trust Funds (CTFs), thereby promoting blue economy priorities.

2) The baseline scenario and any associated baseline projects

The proposed project builds off the significant progress made by the series of GEF investments in the CLME+, CROP and other non-GEF projects in the region as detailed in the later sections. The CLME TDA and SAP documents form the foundation on which blue economy opportunities can be developed. This concept is strongly aligned with the “CLME+ SAP” for the Caribbean and North Brazil Shelf Large Marine Ecosystem, which has been politically endorsed by 27 countries including all project participating countries. The project will implement the CLME+ SAP’s Strategy 1, 2, 3 and 4. Additional information regarding how this project will implement these strategies and its actions has been outlined in a table in the proposed alternative scenario. The proposed project aims to identify “blue economy and business” approaches that can provide models for the Caribbean region as a whole. The PROCARIBE+ project, currently under development, aims to target grant support and national micro-enterprise ventures, which complements well with the larger, transboundary efforts of this BluEFin project.

Baseline Projects

Under GEF-4 - Biodiversity, the following projects were key to the development of a number of National Conservation Funds that are now part of the Caribbean Sustainable Finance Architecture:

Country and weblink	Name	Project Type GEF Project ID Project Approval - End Year	Implementing Agency Executing Agency
Dominican Republic Link to Project	Re-engineering the National Protected Area System in Order to Achieve Financial Sustainability	Full size GEF ID 2907 2009 - 2017	United Nations Development Programme Secretariat for Environment and Natural Resources (SEMARN)
Jamaica Link to Project	Strengthening the Operational and Financial Sustainability of the National Protected Area System	Full size GEF ID 3764 2010 - 2017	United Nations Development Programme National Environment and Planning Agency (NEPA) - Lead
OECS Link to Project	Sustainable Financing and Management of Eastern Caribbean Marine Ecosystems	Full size GEF ID 3858 2008 - 2017	The World Bank OECS and National Executing Agencies
Bahamas Link to Project	Building a Sustainable National Marine Protected Area Network	Full size GEF ID 3729 2009 -2014	UNEP UNEP

Caribbean Sustainable Finance Architecture (CSFA) - CBF and NCTFs

With extensive support from the GEF including the above baseline projects and other donors, the *Caribbean Sustainable Finance Architecture* (CSFA) - currently comprised of a set of 11 legal entities in countries around the region, including all of the target geographies - has been established and is now operational, supporting a range of coastal and marine priorities throughout the region (e.g. financing marine managed area systems, ecosystem-based adaptation to climate change in the coastal environment, and other sustainable development efforts covering the marine/coastal environment). The two-tiered financial architecture includes:

- i. the **regional Caribbean Biodiversity Fund (CBF)**, with approximately US \$130M under management, with special funds dedicated to biodiversity conservation and protected areas, as well as ecosystem-based adaptation. CBF is also currently developing a new circular economy facility with the support of the German Government at a value of ~USD 30m at current exchange rates.
- ii. a set of independent **National Conservation Trust Funds (NCTFs)** managed by multidisciplinary boards of directors (composed of government, private sector and non-government members).

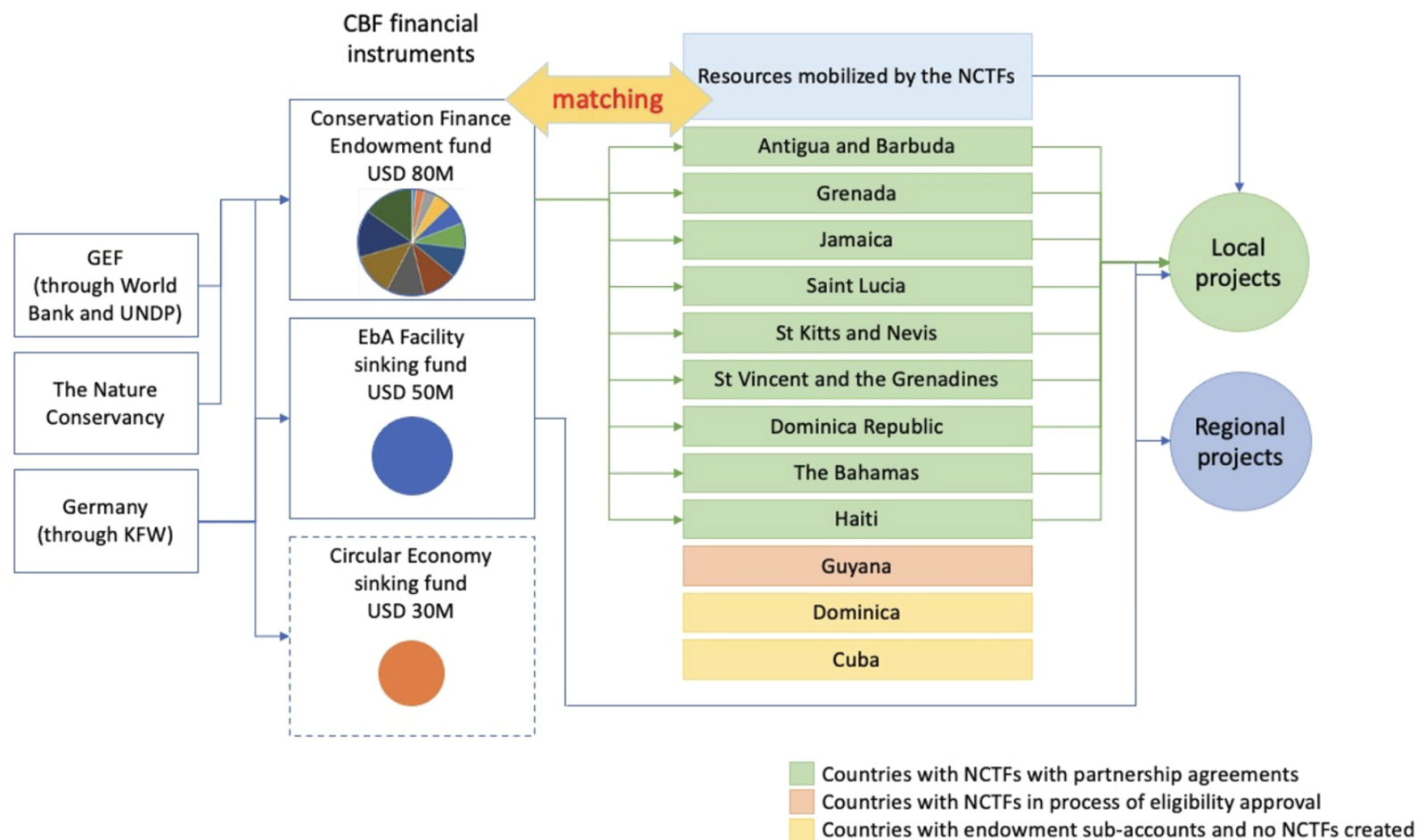


Figure 1: Schematic Diagram of Caribbean Sustainable Finance Architecture

The CSFA has proved to be an important platform for public-private and multisectoral dialogue. Since 2016, the CBF organised the annual Caribbean Challenge Initiative (CCI)-CBF Weeks which have brought together diverse stakeholder groups to address transboundary and regional coastal and marine issues, and other sustainable development challenges including sustainable financing. A number of notable partnerships have been launched to target such efforts, including the following that have been launched in this forum with the goal of improving coastal and marine ecosystem health:

- MOU with Blue Finance to incentivize the adoption of new models for the management of marine protected areas and development of financial mechanism for conservation.
- MOU with the Caribbean Biological Corridor (CBC)N hosted by (UNEP) which seeks to develop sustainable financing options for the work conducted by the CBC

- pending MOU with the Organisation of Eastern Caribbean States (OECS) to collaborate on a range of areas of common focus for the Eastern Caribbean Region. Among other topics, this will include the development of value chains for renewable marine resources in accordance with the principles of "Blue BioTrade".

Looking ahead, the CSFA is envisioned to become a key regional resources mobilization mechanism to support Caribbean countries in achieving the new targets being negotiated internationally. There is a growing consensus in support of the science-backed "30x30 target" to protect at least 30% of the world's ocean by 2030 through the establishment of MPA networks. The 30x30 target, first supported by IUCN members in 2016, is continuing to gain political traction through Government initiatives like the [High Ambition Coalition](#), the UK-backed [Global Ocean Alliance](#), the [Leaders Pledge for Nature](#), and the recently launched [Ocean Action Agenda](#). The CBF is currently, within the context of the CCI steering committee, working on For the CSFA to achieve transforming the CCI into a platform to support the post 2020 Biodiversity Framework under the CBD Convention and more specifically the 30x30 ocean target.

For the CSFA to achieve its goals the NCTFs require continued support as they evolve and mature into more consolidated fund managers and grant makers for conservation throughout the region. It is critical that this work be advanced to create fully autonomous and sustainable national and regional organizations. In the past twenty years, environmental trust funds around the world have pioneered the creation and management of a wide variety of innovative finance mechanisms (FMs), many of which target and involve the private sector in financing and promoting conservation outcomes. While several NCTFs in the Caribbean have made notable progress toward establishing in-country FMs in the Caribbean, additional efforts are needed to establish these new financial mechanisms options.

CBF CRAB Project

The CBF and the Government of France are in the process of designing the Caribbean Regional Architecture for Biodiversity (CRAB) project. The overall objective of this project is to support the implementation of a Sustainable Funding Program for Biodiversity in the Caribbean, building on the guidelines and recommendations of the Architecture Sustainability Action Plan (SAP) developed by the CBF and The Nature Conservancy (TNC) in 2019.

The Project's specific objectives are:

- **Component 1** - Strengthen the capacities of the Architecture (including development of financial mechanisms)
- **Component 2** - Position the Architecture as a key player in regional approaches to biodiversity issues. This will include the active involvement of the Architecture, its representatives and potential new regional actors in the French territories in regional workshops on priority issues including Sargassum and Sustainable Fishing and ensuring their presence in the international and regional biodiversity agenda.
- **Component 3** - Strengthen the capacities of the Architecture to respond to local and regional conservation needs, including in emergency responses, such as the COVID-19 pandemic

Other Projects

There are many important efforts underway to address these threats and protect and sustainably manage marine and coastal resources. These efforts include, for example, the designation and protection of marine managed areas (MMAs) at the national level and a set of multi-country efforts (many

supported by the GEF), such as CROP, CReW+, CLME+, MAR2R, the Caribbean Challenge Initiative (CCI), and the nascent GIZ SFM Project^[1]. In the sustainable tourism space, notable projects include the UNEP-led and BMU-IKI supported “[Transforming Tourism Value Chains in Developing Countries and Small Island Developing States to Accelerate More Resource Efficient, Low-Carbon Development](#)”; USAID Environmental Audits for Sustainable Tourism (EAST) in Jamaica; UK-based Travel Foundation’s online learning modules; *Caribbean Association for Sustainable Tourism (CAST)* - a Caribbean Hotel and Tourism Association (CHTA) initiative which has developed trainings and guides.

The project will closely coordinate with on-going regional efforts including the spearheaded Caribbean Large Marine Ecosystem (CLME+) regional coordination mechanism (and its proposed next phase PROCARIBE+) as well as with other GEF-supported projects such as IWECO (Caribbean SIDS), MAR2R (Central America) and BE CLME+. It will also be in line with the ongoing development of the Regional Strategies and Action Plans on (a) the reduction of nutrient inputs into the marine environment, and (b) the protection and restoration of key marine habitats for the wider Caribbean, and their associated regional investment plans, which is currently being developed and coordinated by UNEP CEP with the support of the CLME+ Project.

Private Sector Partnerships, Commitments to Sustainability

There is increasing interest in Corporate Social Responsibility (CSR) efforts among the regional private sector. This is incorporating sustainability principles and good practices vis a vis marine and coastal ecosystem into business operations. This project will capitalize on this interest, particularly by targeting the following key actors (this is an indicative list). During PPG, extensive consultations will be undertaken to secure support/participation.

Caribbean Hotel and Tourism Association (CHTA) and the Caribbean Association of Sustainable Tourism: A core element of the CHTA’s mission is ‘Safeguarding and Enhancing the Environment through the promotion of policies, programs and best practices which respect our environment, supporting efficiencies, and developing and enhancing the natural, cultural and historical aspects of tourism offerings’. The CHTA is envisaged to play a crucial role in the project, with the potential to galvanize action by their 900+ members across the region in support of project outcomes.

Grupo Puntacana/Puntacana Foundation (FGPC) is one of the largest tourism companies based in the region, with a foundation leading a comprehensive environmental sustainability program. The Foundation already has one EBA Facility with the CBF and has presented at a number of annual regional CBF meetings. FGPC is a pioneer in sustainable tourism in the Dominican Republic and in the wider region. It is home to the first Centre of Sustainability and Marine Lab inside one of its resorts, managing ten environmental programs.

Tropical Shipping is a regional freight and shipping company that has been working with the Caribbean Challenge Initiative since it was first launched in 2008. The company has acknowledged the role and value of blue economy and has placed a priority on disaster preparedness and business recovery in The Caribbean.

The **Organisation of Eastern Caribbean States (OECS)** countries have unique flora and fauna of global significance, including 51 regionally endemic vertebrate species (34 of which are unique to just one island), 31 threatened floral species (23 of which are endemic), 250 species of reef fish, and over 50 species of coral. The Eastern Caribbean region was classified as a unique marine eco-region of the tropical north-western Atlantic and ranked as the highest priority region, in terms of conservation status (most threatened), according to studies by the World Wildlife Fund (WWF) and The Nature

Conservancy (TNC). The CBF and the OECS will sign an overarching Memorandum of Understanding to collaborate on a range of areas of common focus for the Eastern Caribbean Region. Among other topics, this will include the development of value chains for renewable marine resources in accordance with the principles of "Blue BioTrade", an initiative the OECS is carrying out in collaboration with UNCTAD and CITES. In order to develop Blue BioTrade, the CBF, under the CRAB Project, will support the extension of a current OECS/UNCTAD initiative with EU funding with target products including Sargassum, Queen Conch, and mangrove honey.

National Baselines

Grenada and the Grenada Sustainable Development Trust Fund

Tourism is a critical economic driver in Grenada which, in recent years, has seen a surge in visitor arrivals. Realizing this, and in order to sustainably manage its "blue" assets, the government has taken steps towards developing a [blue growth national plan](#) and strategy in order to maximize economic benefits. This plan outlines an approach for development that will improve the sustainability of productive activity at land and at sea so as to benefit the tourism sector, fishermen, farmers, agribusinesses, education and research.

The Grenada Sustainable Development Trust Fund became a CBF Partner NCTF in June 2019 and will be an important partner on this project. It was established under the GEF-funded "Sustainable Financing and Management of Eastern Caribbean Marine Ecosystems" project and is actively pursuing various finance mechanisms to expand its capital base.

Saint Lucia and the Saint Lucia National Conservation Fund

The major challenge to the adoption of the green economy approach for the tourism sector is convincing both the public and the private sector that it can deliver critical benefits, such as high long-term economic growth, a cleaner environment and greater productivity. Accurate, high-quality data are needed to support informed decision-making, and policy formulation to promote the transition to a green economy.

The Saint Lucia National Conservation Fund became a CBF Partner NCTF in June 2017 and will be an important partner on this project. It was established under the GEF-funded "Sustainable Financing and Management of Eastern Caribbean Marine Ecosystems" project. The Fund has already established Finance Mechanisms and will provide useful insight from lessons learnt in these processes. They are also working to add to their existing mechanisms to expand its capital base.

Dominican Republic and Fondo MARENA

The Dominican Republic has the largest marine protected areas system in the region. Tourism in the Dominican Republic is generally based on mass tourism, with many all-inclusive hotels in the key tourism zones. However, the industry has been making progress on sustainability in recent years. Over a

dozen hotels in the country are now GreenGlobe certified, representing an important commitment to sustainability. A limited number of small-scale blue economy livelihood projects have been implemented in the country in recent years, such as mangrove kayak tourism in Samana Bay under the USAID-funded Caribbean Marine Biodiversity Program.

One of the largest companies operating hotels and other accommodations (Grupo Puntacana) has a long history of marine conservation and related activities. TNC and the Puntacana Foundation have been actively collaborating on coral restoration and exploring the feasibility of a coral reef insurance instrument.

A well-established National Conservation Trust Fund (Fondo MARENA) has been a CBF Partner Fund since December 2016. In addition to awarding grants for a number of years, with several grants to support marine conservation in the past two years. Fondo MARENA is actively pursuing various sustainable finance mechanisms to expand its capital base and will be an important partner for this project.

St. Vincent and the Grenadines and the St. Vincent and the Grenadines Conservation Fund

St Vincent and the Grenadines is a member of the Commonwealth Clean Ocean Alliance, Sustainable Blue Economy and Ocean and Climate Change Action Groups. They are also the current chair of the OECS and have been developing their sustainable development targets, e.g., 60-100% power from renewable resources by 2030.

The St. Vincent and the Grenadines Conservation Fund became a CBF Partner Fund since February 2019. It was established under the GEF-funded “Sustainable Financing and Management of Eastern Caribbean Marine Ecosystems” project. It is actively pursuing various finance mechanisms to expand its capital base, including benefitting from the recently announced Climate Resilience Levy to be introduced by the Government.

The Bahamas and The Bahamas Protected Areas Fund

The Government of The Bahamas has been developing its Blue Economy Portfolio. In September 2020, the Inter-American Development Bank (IADB) approved a US\$200 million loan to promote blue economy in The Bahamas. The program scope looks to supporting the Micro, Small and Medium Enterprises (MSMEs) continuity, modernizing the institutional and legal framework to protect the natural resources, and economic diversification. The Minister of Agriculture and Marine Resources has noted that “the country has to alleviate local competing interest in the Blue Economy so that synergies are created between the departments and sectors that depend on The Bahamas’ marine environment.

The Bahamas Protected Areas Fund became a CBF Partner NCTF in November 2020 and will be an important partner on this project. The Fund has already established its own Endowment Fund and will provide useful insight from lessons learnt in these processes. They are also working to add to their existing mechanisms to expand its capital base.

3) The proposed alternative scenario with a brief description of expected outcomes and components of the project

The concept of “Blue Economy” and “Blue Businesses” is in its early stages in the insular Caribbean region and the BlueFin Project aims to facilitate the coordination of activities directed at identifying sources of economic value in the marine and coastal areas and those working to develop long-term solutions and sustainable financing. This coordination will efficiently consider the best use of Blue Economy opportunities for conservation financing mechanisms, marrying 2 core international commitments. The proposed project will also support these Caribbean countries by building on and delivering the GEF Caribbean Large Marine Ecosystem SAP Implementation (CLME+) project targets, and its associated Strategic Action Programmes (SAP). This concept will support and contribute towards meeting the following SAP Strategies and Actions of the CLME+;

Act ion s	<u>CLME+ SAP Strategies</u>	CAR BlueFin Contribution/Implementation of the strategies and actions
<p style="text-align: center;">STRATEGY 1</p> <p style="text-align: center;">Enhance the regional governance arrangements for the protection of the marine environment</p>		
1.2 (A)	Establish and strengthen regional institutional coordination and cooperation arrangements	<p>The Caribbean Biodiversity Fund (CBF) will continue its focus on regional ocean targets and sustainable financing for ocean and biodiversity conservation. Under the project, the GEF support will bring together public and private sector partners with the Caribbean Sustainable Finance Architecture (CSFA) to identify feasible Caribbean-based regional and national Financing Mechanisms (FMs).</p> <p>With the Hub (Component 3) and the Community of learning (Component 4) to be developed, regional networks will be strengthened on the value of Blue Economy in Caribbean regional financing and development. In addition, High Level Discussions have already begun with Caribbean Leaders on the Caribbean 30x30 Vision for Ocean Governance as a follow on to the Caribbean Challenge Initiative which had a 2020 target and the CBF will be engaged in promoting the regional FMs as a vehicle for facilitating the vision.</p>
1.3 (A)	Evaluate expansion and strengthening of the mandate of organizations to effectively address issues relating to habitat degradation and pollution in the marine environment	Expansion of the CBF and National Conservation Trust Funds (NCTFs) mandate to include transboundary and blue economy concepts.
1.4 (B)	Enhance the compliance and enforcement capacity of the regional, sub-regional and national governance arrangements	The CSFA efforts in grant making - the use of the FM resources from Component 1 will target effective Marine Managed and Protected Areas throughout the region.

1.5 (B)	Establish and/or enhance the capacity of the regional, sub-regional and national governance arrangements for the involvement of civil society in the implementation of the EBM/EAF approach (IGOs, NGOs, CBOs, private sector...)	Under Components 2 and 3, NGOs and private sector will be targeted as key partners and champions for the CBF FMs. Regional efforts will be designed to sensitize the private sector and other civil society actors on their role as financiers and co-managers of marine areas.
1.6 (B)	Enhance the capacity within and among arrangements to undertake and mainstream lessons learned and findings from monitoring, science and research in regional, sub-regional and national decision-making	The Community of Learning being designed in Component 4 will target the creation of knowledge and best practice materials on regional blue economy concepts.
1.7 (B)	Establish and/or enhance the capacity within and among arrangements to undertake and mainstream valuation of ecosystem goods and services in regional, sub-regional and national decision-making and policy development	Although not a direct output, activities under Components 1 and 2 will contribute to data and information on the valuation of blue economy components.
1.8 (B)	Establish and/or increase the capacity of (sub-)regional organizations and countries for integrating the management of terrestrial drainage basins with the management of the marine recipient basins and coastal development (C LME and NBSLME)	Although not a direct output, activities under Components 1 and 2 in the design and development of FMs (e.g. MPA Partnership(s) and upstream forest restoration activities) will contribute to this action.
1.10 (B)	Establish and/or enhance the data and information quality and collection and management capacity of the region	The FMs being targeted under this project are mainly PPPs (Component 1). Additionally, the Hub (Component 3) and the Community of Learning (Component 4) will target the creation of knowledge and best practice materials on regional blue economy concepts.

	al, sub-regional and national governance arrangements for the protection of the marine environment, including through the establishment of public-private partnerships	
1.1 1 (B)	Establish and/or enhance the capacity of the regional, sub-regional and national governance arrangements for the monitoring, assessment and reporting on the state of the marine environment.	The Community of Learning being designed in Component 4 will produce, monitor and evaluate regional and national targets on both blue economy and marine environment.
<p style="text-align: center;">STRATEGY 2</p> <p style="text-align: center;">Enhance the regional governance arrangements for sustainable fisheries</p>		
2.8 (C)	Coordinate the development and implementation of regional, sub-regional and national initiatives to improve welfare and livelihoods through the provision of Decent Work (including through the development of alternative livelihoods, capacity building and pilot initiatives) – aquaculture and takes away pressure from	The FMs being designed and documented (Components 1 and 3) aim to develop sustainable livelihood options for blue economy efforts which will impact fisherfolk and other coastal based entrepreneurs.
<p style="text-align: center;">STRATEGY 3</p> <p style="text-align: center;">Establish and operationalise a regional policy coordination mechanism for ocean governance, with initial focus on shared Living Marine Resources</p>		
3.6 (C)	Develop and coordinate integrated and sectoral sustainable financing strategies for the cost-effective implementation of broader ocean governance in the region, with a short and medium term focus on sLMR governance	All components of the project will contribute and enhance these efforts at various levels, including the new FMs, the Community of Learning and the inclusion of new interested civil society and private sector partners.
3.7	Facilitate the preparation of	The Community of Learning being designed in Component 4 will produce,

(B)	data and information products and the uptake of monitoring and research outputs by (sub)regional and national science-policy interfaces	monitor and evaluate regional and national targets on both blue economy and marine environment.
<p style="text-align: center;">STRATEGY 4</p> <p style="text-align: center;">Enhance the governance arrangements for ecosystem-based management for reefs and associated ecosystems (e.g. sea grass beds, reef slopes, mangroves and coastal lagoons)</p>		
4.2 (A)	Establish and/or enhance the cooperation between environmental, fisheries and other relevant agencies within CARICOM for implementing the EBM/EAF approach	The work and stakeholders of the CSFA have already begun these discussions. CSFA member CTFs have multisectoral boards. Under Components 1 and 3, EBM and EAF approaches to blue economy will be considered.
4.4 (C)	Coordinate and enhance (sub-)regional and national efforts for the conservation of the biodiversity of reef and associated habitats, including through the strengthening of networks of marine protected areas (MPAs), and initiatives for sustainable reef fisheries* such as programmes dealing with alien invasive species	Although not a direct output, activities under Components 1 and 2 will contribute to ongoing national and regional efforts in conservation of coral reefs and their regeneration, development of sustainable tourism and fisheries and effective marine management.
4.5 (C)	Develop and implement initiatives for sustainable livelihoods by building capacity for diversification, fostering and facilitating viable alternative sources of Decent Work and/or improved incomes, and creating added value (e.g. through marketing and sales)	The FMs being designed and documented (Components 1 and 3) aim to develop sustainable livelihood options for blue economy efforts which will impact fisherfolk and other coastal based entrepreneurs.

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4.6 (B)	Establish and/or enhance the institutional structure and capacity of (sub-)regional and national arrangements for implementing management and conservation measures for reef ecosystems	Although not a direct output, activities under Components 1 and 2 will contribute to ongoing national and regional efforts in conservation of coral reefs and their regeneration, development of sustainable tourism and fisheries and effective marine management.
4.8 (B)	Operationalise and strengthen interlinked Decision Support Systems (DSSs) for the protection of reefs and associated ecosystems and for the sustainable management of associated living marine resources	With the Hub (Component 3) and the Community of learning (Component 4) to be developed, regional networks will be strengthened and discussions on DSSs can be facilitated.

A number of key blue economy opportunities are transboundary and the project aims to involve not only the region's governments for the valuation and outlook for these opportunities, but also to work with private sector and civil society stakeholders, including current CBF partners and leaders in the tourism, shipping and other regional, transboundary sectors (e.g. CHTA, Grupo Punta Cana, Tropical Shipping, and other industry partners) to jointly harness innovative approaches in order to promote investment in coastal and marine ecosystems through:

- o the creation of Financial Mechanisms (FMs) through public-private dialogue and partnerships that identify and build on the valuation of and effective management of blue economy and business opportunities (addressing Barriers #1 and 3);
- o more biodiversity and ecosystems-friendly policies to facilitate Blue Economy and Business practices (addressing Barrier #2 and 5);
- o linking marine and coastal ecosystems to improved livelihood opportunities (addressing Barriers #1 and 4); and
- o creation of a Caribbean community of learning and a regional platform for conservation finance, including blue economy opportunities addressing Barriers # 1, 4 and 5).

Working at both the regional and national level with the CSFA, the CBF will be able to develop, demonstrate, showcase and replicate proof of concepts for not only the value of blue economy and blue business opportunities but also the utility of the opportunities in terms of sustainable financing mechanisms.

Project Objective: To create and strengthen nature-based Blue Economy opportunities and approaches in the Caribbean through innovative financing mechanisms.	Components	Outcome
	Component 1: Utilizing Blue Economy principles to develop regional Caribbean financial mechanisms (FMs), with a focus on private and productive sector partnerships.	Outcome 1: Outcome 1: Improved access to funding through Blue Economy interventions and generation of resources from regional FMs targeting national and regional marine and coastal priorities using the TNC Mapping Ocean Wealth methodology.
	Component 2: Enabling systems created and supported in order to facilitate Private Sector Participation in Caribbean Blue Economy and Business opportunities.	Outcome 2: Improved business practices and enabling policies for Private Sector participation in Blue Business opportunities.
	Component 3: A regionally based Blue Business Hub developed to provide socioeconomic opportunities which support marine and coastal conservation and sustainable use.	Outcome 3: Establish small/medium business partnerships throughout the region informed using a Blue Business and Economy Hub with key insights that will lead to increased livelihoods, income, and which help reduce pressures on marine and coastal resources, resilience and adaptation of Caribbean coastal communities.
	Component 4: Socializing, scaling, and replication of the BlueEF in approach regionally.	Outcome 4 Increased knowledge of blue economy business opportunities, valuation and decision tools and sustainable finance mechanisms used by relevant stakeholders.

This project will work with the CBF to move the concept of the "Blue Economy" into practical spheres. It will work to identify and educate on Blue Economy opportunities, in particular in the post pandemic reactivation for small and medium enterprises and how they can be utilized for sustainable financing in the insular Caribbean. The project will:

- (a) support the design and implementation of bespoke regional Sustainable Finance mechanisms to consolidate the Caribbean Sustainable Finance Architecture and fund blue economy investments over the medium and long terms (Component 1);
- (b) target and incentivize Caribbean private sector interest and investment in Blue Economy opportunities (Component 2);
- (c) develop and implement blue economy solutions in a series of small-scale interventions in collaboration with the private sector (Component 3).
- (d) Design and implement a Caribbean community of learning in Conservation Finance. Initial areas of focus - regional blue economy and business, sustainable financing (Component 4).

(e) Component 4 will also promote uptake, socializing, scaling, and replication of the BluEFin approach nationally and regionally and the creation of an incubator for Blue Businesses.

Expected outcomes and components

Component 1: Utilizing Blue Economy principles to develop regional Caribbean financial mechanisms (FMs), with a focus on private and productive sector partnerships.

Outcome 1. Improved access to funding through Blue Economy interventions and generation of resources from regional FMs targeting national and regional marine and coastal priorities using the TNC Mapping Ocean Wealth methodology.

Output 1.1. By project end, at least 3 regional Ocean FMs generating a total of at least \$300k- \$600k per year thereafter for large-scale, long-term and reliable funding that prioritizes marine and sustainable use of coastal biodiversity and other ocean resources, including transboundary resources, through the deployment of innovative financial instruments.

With a focus on a Blue Economy and Blue Businesses that ensure a sustainable ocean-based economic, social and environmental benefits, the project will support and emphasize developing new financial mechanisms beyond the regular financing options of multilateral and bilateral funding. The project will target 3 categories of **Ocean Finance Innovative Mechanisms**, which are described below. Please note that these mechanisms will be further explored and refined during the PPG phase prior to project start and implementation. The financial resources generated through these mechanisms will be channelled to marine ecosystems and blue economy interventions, including transboundary resources and interventions, through the Caribbean Sustainable Finance Architecture composed of the CBF and national conservation trust funds (NCTFs). New funding windows at the regional and national levels will be created as a way to complement the existing financial instruments that are today part of the regional architecture. These new windows may include sinking funds, revolving funds, and blended finance mechanisms, among others. As needed, developing and implementing these mechanisms will be piloted in the target countries in partnership with the respective NCTF and other regional and national stakeholders.

Ocean Finance Mechanisms Categories:

Conservation Finance:

- o **Marine and Coastal** Payments for Ecosystem Services (Marine PES) - Payment for Ecosystem Services (PES) are already being used in some Latin American countries and other regions, although most are focused on terrestrial interventions. Using the experience of terrestrial and Marine PES, as available, the project will explore and pilot Marine PES in select target project countries with a link to the tourism and fisheries sector in order to promote blue economy and business approaches. Marine PES interventions will also aim to prioritize actions that support transboundary marine ecosystem health measures in the Caribbean.
- o **Regional Marine Protected Area Partnership** Working with CBF partner Blue Finance. The initiative (s) will propose ideas of economies of scale and opportunities for impact investment in the Caribbean. The Blue Finance model uses blended finance investments to create Public Private Partnerships creating management NGOs that facilitate the PPP as per as agreement, ensuring profit for the MPA, the private sector company and the NGO MPA manager.

- o Green/Blue Credit Cards - Developing green/blue credit cards with regional banks. An example from Costa Rica will be used as the basis for the pilot efforts.
- o In addition to the national Hotel and Tourism sector associations, CBF has begun discussions with the region wide Caribbean Hotel Tourism Association (CHTA) and the Caribbean Alliance for Sustainable Tourism to identify a mutually beneficial regional program.

Climate Finance:

- o Shipping Industry Carbon and Biodiversity Offsets - the CBF is currently in dialogue with shipping companies to gauge their interest in developing a voluntary carbon and biodiversity offset mechanism in the Caribbean. As a regional mechanism, financial resources from this offset mechanism are expected to be invested in transboundary marine ecosystem.
- o Corporate Social Responsibility (CSR) - the project will also explore establishing campaigns with telecom industry.
- o Blue Carbon and Coastal Ecosystems Insurance Schemes - Climate financing through a regional initiatives/approaches such as Blue Carbon and coastal ecosystems insurance will also be explored. These mechanisms are highly linked to the Blue Business Hub.

Circular Economy Finance:

- o Campaigns - Financial returns from regional phone return or other campaigns with telecom companies.

Activities:

1. Conduct assessments of target Ocean FMs. The results will need to provide sufficient information on priorities for the FMs that would deliver the highest impact and rapid results.
2. For each prioritised mechanism, prepare an action plan that considers key tasks, milestones, roles/responsibilities, with a participatory approach that ensures due consideration of local and regional situations, actors and potential partners.
3. There will also be an emphasis on ensuring the mechanisms selected are feasible and will forecast income generation potentials. Assess the feasibility and efficiency of establishing the FMs, including the willingness and funding available from partners and the length of the design process. Some FMs do not require significant framework development, for example Private Sector (hotel or other product) commitment to an "opt out" process only requires the commitment of company and the design of the opt-out language for the consumer to state their agreement or non-agreement to a payment to the company on behalf of the conservation activity. The most feasible, highest yielding pilot FMs will be prioritised with an aim of at least \$100,000 - \$200,000 for each of the 3 FMs.
4. Implementation of action plan and monitoring of milestones and results.
5. Record and design communication materials and modules with recognition for private sector partners and lessons learnt on best practices.

Component 2 Enabling systems created and supported in order to facilitate Private Sector Participation in Caribbean Blue Economy and Business opportunities.

Outcome 2.1 Improved business practices and enabling policies for Private Sector participation in Blue Business opportunities

Output 2.1.

Create incentives and interest in Blue business opportunities prioritizing private sector activities that have positive impacts on marine/coastal ecosystems, achieve cost savings and may contribute to long-term FMs.

Output 2.2

Create enabling environment from government and other governance/coordination mechanisms to facilitate the ease of doing Blue Business initiatives, targeting support for private sector engagement in target sectors including tourism, fisheries and shipping.

Activities:

1. Design and host Blue Business Dialogue(s) with regional government and private sector interests to determine needs
2. Create working group to identify and create appropriate initiative to facilitate incentives and disincentives for Blue Businesses
3. Design and produce an index and system to determine and monitor the ease of doing Blue Business best practices
4. Record and design communication materials and modules with recognition for private sector partners and lessons learnt on best practices.

Component 3: A regionally based Blue Business Hub developed to provide socioeconomic opportunities which support marine and coastal conservation and sustainable use.

Outcome 3

Small/medium business partnerships throughout the region informed using a Blue Business and Economy Hub with key insights that will lead to increased livelihoods, income, and which help reduce pressures on marine and coastal resources, resilience and adaptation of Caribbean coastal communities.

Output 3.1.

Blue Business Hub designed to collect, coordinate, promote and harness Blue Economy information from Component 4 and other efforts in the wider Caribbean (e.g., PROCARIBE+) that support the development of regional business arrangements that can create Blue Economy activities, including FMs, at all levels. Examples of activities to be supported could include marine businesses such as biotechnology and aquaculture, and high-tech marine services.

Output 3.2

At least 4 targeted Blue Business interventions (value chain research) in project countries identified, designed and implemented in collaboration with relevant stakeholder groups (communities, private sector organizations, local & national authorities) based on case studies and data from the Hub. Tools such as TNC's Mapping Ocean Wealth will be utilized in identifying priorities.

Output 3.3

Based on the Blue Business Hub design and lessons from the above, a portfolio of business plans/opportunities for replication and up-scaling via investment from the sustainable finance mechanisms will be developed.

Activities:

1. Assess and collate information (potentially mapping and creation of a database) on Blue Economy and Blue Business, including key actors, data, reference materials, etc.

2. Identify and prioritise potential Blue Business interventions using available information and stakeholders. Tools such as Mapping Ocean Wealth with The Nature Conservancy will be used and factors such as culture, gender and socioeconomic variations will be considered.
3. Design a Monitoring and Evaluation (M&E) system to record and monitor information on milestones for activities.
4. Record and design communication materials and modules with recognition for private sector partners and lessons learnt on best practices.

Component 4

Socializing, scaling, and replication of the BluEFin approach regionally.

Outcome 4 Increased knowledge of blue economy business opportunities, valuation and decision tools and sustainable finance mechanisms used by relevant stakeholders.

Output 4.1

Knowledge and Learning Activities, including (i) Creation of Caribbean Community of learning in Conservation Finance, including outreach and sensitization. (ii) Program established to scale up activities, impacts and lessons learnt in the region on Blue Economy Solutions, particularly key components for Sustainable Finance development. (1% of budget allocated to IWLEARN activities).

Activities:

1. Design and implement Caribbean community of learning in Conservation Finance. Initial areas of focus - regional blue economy and business, sustainable financing. Learning Network created to disseminate project lessons and knowledge across the Caribbean, leveraging the networks of the main project partners: Caribbean Biodiversity Fund, UNEP, TNC, NCTFs and linked to the CLME+ Hub. Learning activities will include participation at the International Waters conferences and at least 3 case studies and fact sheets will be developed.
2. Regional platform (housed within CBF) created and updated regularly to collate on-line and disseminate virtually and in-person sessions with results from this project, including impacts of grant-making and other investments in marine and coastal resources, and to help measure progress on key international commitments (e.g., CBD, SDGs, NDCs). Web site will be compliant with the IW:LEARN and linked to existing platforms including those of the Cartagena Convention Secretariat, and the CLME+ Hub.

The Theory of Change (ToC) for the proposed project is presented in Annex D uploaded in the RoadMap section.

4) Alignment with GEF focal area and/or Impact Program strategies

This proposed project is highly relevant and is seeking support from GEF-7 International Waters (IW) Focal Area. It is aligned with IW objective 1 (*Strengthening National Blue Economy Opportunities*) - 1 (*Sustaining healthy coastal and marine ecosystems*). The proposed actions which will be delivered through a unique public-private partnership will help countries in identifying sustainable investments within the Blue Economy space and transforming the private sector resulting in improved health of the coastal assets in these 5 islands in the insular Caribbean.

The project will work with stakeholders, particularly those working with the Caribbean Sustainable Finance Architecture, including the multisectoral (private, public and civic sectors) Boards of the Conservation Trust Funds. This is aligned with the GEF-7 strategy emphasis on promoting integrated, cross-sectoral partnerships and Diverse Coalitions for driving systems level change. The stakeholders dialogue will explore factors needed and assets

existing for coastal and marine business opportunities, particularly those that support the Sustainable Development Goals (SDGs) and other political commitments.

As stated in the GEF-7 International Waters Strategy: *"The Blue Economy concept identifies the oceans as areas for potential sustainable development of existing and new sectors, including tourism, extractive industries, renewable energy production, fisheries and aquaculture, coastal development, and marine transport. To foster innovation towards more sustainable use of marine and coastal resources there is a need for coastal and island nations to deploy a suite of tools, among them marine spatial planning. These tools will foster a holistic understanding of the opportunities and constraints within Exclusive Economic Zones to inform policy formulation, adoption, and investment processes towards long-term environmental sustainability. Strengthening Blue Economy opportunities requires regional cooperation and national action"*.

The strategy also captures the role of *"key coastal and marine habitats, such as deltas, mangroves, salt marshes, sea grasses, and coral reefs, that are essential to local and national economic development and to the health of the global oceans. They sustain fisheries, tourism, and coastal protection, sequester carbon, filter run-off waters, increase local, national and regional climate resilience, and are biodiversity hotspots, while also offering other ecosystem services estimated to be worth USD 100s of billions annually"*.

In alignment with the types of investment that will be supported, the proposed project will;

- o Develop and implement environmentally sustainable Blue Economy initiatives with a focus on potential for long-term financial mechanisms;
- o Restore degraded key habitats by using funds from the Blue Businesses and the Finance Mechanisms to facilitate local, national and regional conservation efforts;
- o Stimulate private sector engagement through relevant industry sectoral roundtables and industry groups;
- o Engage with national, regional, and global stakeholders to increase collaboration.

5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing

Developing financing solutions for transboundary marine issues is a key next step towards effectively managing marine resources in the Caribbean. While this is recognized by national and regional stakeholders, the region has had few opportunities to direct resources in order tackle these issues effectively. For these solutions to be successful, the engagement of private sector and development of new and innovative finance mechanisms with a Blue Economy lens is paramount.

This GEF project is designed to directly address the above-described issues and lower the barriers identified in Section 1, especially barriers 2 (poor enabling environment for private sector investment), 3 (need for support to establish sustainable finance mechanisms) and 5 (lack of significant actions at the sub-regional and regional scale). The GEF investment will facilitate activities for transboundary sustainable finance mechanisms to materialize into practical actions on the ground and for the sea. The designed activities aim at responding to issues flagged by a range of stakeholders through e.g., dialogue and consultations with the National Conservation Trust Funds and their Boards that include NGO, private sector and government partners who are eager to enhance their financing potential through blue economy opportunities. We note for example that a number of regional partners have established Ministries of Blue Economies as an emerging trend. Many of them sit on the Board of the NCTFs. As noted in the recent CLME+ project developed EcoAdvisors report entitled "Production of a Baseline Inventory of Existing and Potential Sustainable Blue Finance Investors to Support the CLME+ Vision EcoAdvisors, Technical Report", investors are equally eager for readily "investible" ventures to invest in.

Without the GEF support, the "Business as Usual" approach will continue with a focus on the NCTFs and national targets and approaches. The ability of the CSFA to grow to the point of playing a lead role in transboundary, blue economy, and regional sustainable financing lies in the GEF support for this project. The CSFA is now already seeing success and support for its effort in creating the structure for national financial mechanisms targeting matters such as Marine Management but without the GEF investment, the impactful growth of transboundary and truly regional financial management will not be realised. It is also noteworthy that a number of the financial investment recommendations mentioned in the EcoAdvisors Report will require transboundary solutions for true success.

Other CBF funders have to maintain a national level focus and often cannot prioritize this transboundary aspect. As detailed in Section 3, GEF incremental support will be critical in order to complement the practical implementation of a number of CLME+ SAP Strategies and Actions. The proposed project addresses a number of the conclusions noted in the EcoAdvisors review on Blue Finance for the insular Caribbean countries of the CLME, in particular the catalysation of new projects.

The activities and outcomes of the GEF Project will create the opportunity to move sub-regional and regional ideas and plans out of the many references in reports into tangible activities with results on the ground working with CBF stakeholders and private sector leaders who are willing and can rapidly work on demonstrating results. These efforts will target sub-regional and regional Financial Mechanisms (FMs) with ideas and possibilities that can be scaled-up and replicated both nationally and regionally.

GEF's added value is also key to creating the enabling conditions required to ensure that the transboundary/regional financial mechanisms go beyond the life of the grant funding into long-term income-generating initiatives. With the GEF's incremental support, the BlueFin project will be able to create new windows and opportunities for the development of innovative regional Finance Mechanisms, allowing the CSFA to add to its portfolio regionally based partners and the design and development of novel concepts in the area of Blue Economy and Blue businesses in the Caribbean. (Component 1)

While a number of discussions on Blue Economy have taken place, the GEF support would create the first projects in the Caribbean to use the Blue economy principles to invest in the creation of partnerships and income-generating finance mechanisms for sustainable financing - critical to long term funding in the region for a healthy Ocean and marine environment. (Component 2)

The Blue Business Hub to be created with the GEF funding under Component 3 will also be possible through this project and will create a much-needed Caribbean knowledge base of new products on practical experiences, best practices and lessons learned on the Blue Economy, including value chain research and business planning for further replication and upscaling opportunities throughout the Caribbean Sea region. The creation of this Blue Hub will serve as a key tool to materialize the Blue Economy policies and ideas being promoted in the region.

In addition to the Hub and storage of information and knowledge, the Community of learning (Component 4) that the GEF funding will create is unique and will generate a continuous cadre of Caribbean experts and a think-tank mechanism to ensure the accessibility of the knowledge for Caribbean stakeholders - not only on Blue Economy and Blue businesses but also on the regional and other finance mechanism processes being undertaken.

The co-finance for this project is \$43,427,990 comprising of grant and in-kind support from KFW, AFD/FFEM and GIZ. However, the focus on transboundary finance mechanisms and blue investments considerations will only be possible with funding from the GEF's International Waters focal area and, these will be critical for modelling new efforts that promote the regional approach for a Blue Economy in the Caribbean and take advantage of these economies of scale for conservation and development milestones.

Furthermore, the GEF funding will attract substantial additional co-financing provided by CSFA stakeholders in the CBF and NCTF Boards that comprise leaders within national and regional public and private sectors. This funding will also provide a critical step to identify and develop blue economy funding opportunities and towards sustainability of the regional finance mechanisms which will then be able to generate their own recurring funding.

6) Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF)

The proposed project will support the GEF work under the International Waters focal area by addressing transboundary concerns, particularly in terms of reduced threats to marine and coastal waters and sustain coastal and marine ecosystems goods and services. In particular, it will contribute to achieving the following GEF core indicators;

- o **GEF Core Indicator 2** - Marine protected areas created or under improved management for conservation and sustainable use (ha), contributing to sub-indicator 2.2
- o **GEF Core Indicator 4** - Area of landscapes under improved practices (hectares; excluding protected areas)- contributing to sub-indicator 4.1.
- o **GEF Core Indicator 7** - Number of shared water marine ecosystems under improved cooperative management - contributing to sub-indicator 7.1, 7.3, and 7.4.
- o **GEF Core Indicator 11** – Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment.

The project will work with multiple countries/states beyond national boundaries with regional private sector and other partners to develop a regional approach considering the Caribbean Sea's Blue Economy issues - both within and outside countries' Exclusive Economic Zones (EEZs). The Caribbean region has a number of regional level companies with significant interests at this level, e.g. Tropical Shipping Ltd. who work at this transboundary level. The project will allow CBF to develop and offer their regional umbrella fund to facilitate and create opportunities for investment at this level for impact at both regional and national levels.

The activities to be created and supported by the FMIs will consider feasibility factors that will identify sustainable, long-term solutions that minimize the impact of the activities on globally significant biodiversity given the Caribbean's status as a biodiversity hotspot (Conservation International) and maximize their contribution to region's resilience to climate change. The aim of CBF activities is to promote sustainable, effectively managed initiatives that improve and impact Global Targets that include the SDGs, Aichi, and the Paris Agreement.

The Small Island Developing States (SIDS) of the Caribbean are among the world's most vulnerable to the impacts of climate change and the region is the second most hazard-prone in the world, with significant annual losses accruing in the social and productive sectors due to hurricanes, tropical storms, and cyclones. Strong evidence links environmental conservation with risk reduction. This project will contribute to the protection and sustainable use of coastal and marine resources that play an important role in reducing risks associated with a changing climate.

The project also will indirectly support global environmental benefits in Biodiversity through sustainable use of globally significant biodiversity in the Caribbean, Climate Change Mitigation through promotion of innovative technologies and renewable energy as sustainable options, and Sustainable Forest Management, which includes coastal forests and upstream forest restoration.

7) Innovation, sustainability and potential for scaling up.

It is notable that the Caribbean Sustainable Finance Architecture itself is innovative. No region in the world has taken on the task of simultaneously developing over 10 Environmental Funds. The CBF as an umbrella fund is also a unique approach for the region, utilizing economies of scale for investment management and working regionally on financial mechanisms supporting monitoring and evaluation of the conservation impact of the full Architecture.

As noted in the report "[Financing Nature: Closing the Global Biodiversity Financing Gap](#)" (September 2020), there remains a global gap in financing biodiversity with spending on agricultural and other subsidies being at least 2-4 times greater. The gap assessment process in this project will build on the 2017 study conducted by the CBF. The key factor is a realistic estimate of on-the-ground costs and needs for effective, efficient conservation management achieved by including local actors in the process, e.g., NCTF Board/Committee members, NCTF applicants & grantees and Protected Area managers.

The financial mechanisms and the case studies that will be designed and implemented to create opportunities for sustainable financing at the national a regional level. Nationally, financial mechanisms will be tailored to consider local factors needed to create innovative long-term arrangements that allow the Funds to establish win-win partnerships. At the regional level, the CBF will work through the CSFA to assess and discuss Blue Economy opportunities that are of interest to regional corporate leaders and work with them on the design of finance mechanisms that support a range of transboundary and conservation measures. Below are some examples also described in section 3:

Conservation Finance: Payments for Ecosystem Services, water funds through companies utilising large volumes of local water and potentially land-based sources of marine pollution (e.g., soft drink/beer companies), developing green/blue credit cards with regional banks, impact investment in MMAs and Tourism Enhancement Funds with Hotel and Tourism sector.

Climate Finance: Corporate Social Responsibility (CSR) campaigns with telecom and carbon offset mechanism for shipping companies, climate finance through initiatives such as Blue Carbon and coastal ecosystems insurance.

Circular Economy Finance: phone return campaigns with telecom companies.

Institutional activities at the national level will also provide additional and new tools to build and expand their respective institutions as local conservation finance leaders.

Many of the proposed partners are regular participants in the CBF annual meetings. This represents a platform for continuing the Blue Economy and Business dialogue after the project ends. Moreover, trainings in blue economy tools and the integration of Blue Economy logic and goals into the Action Group partners' agendas and programmatic goals will mean the proceeds of SFMs developed under Component 1 may be used by NCTFs to replicate

project approaches and experiences, particularly the nature-based Blue Economy actions identified and tested under Component 3. Similarly, experiences with the design of SFMs can be replicated throughout the CBF network of trust funds elsewhere in the region.

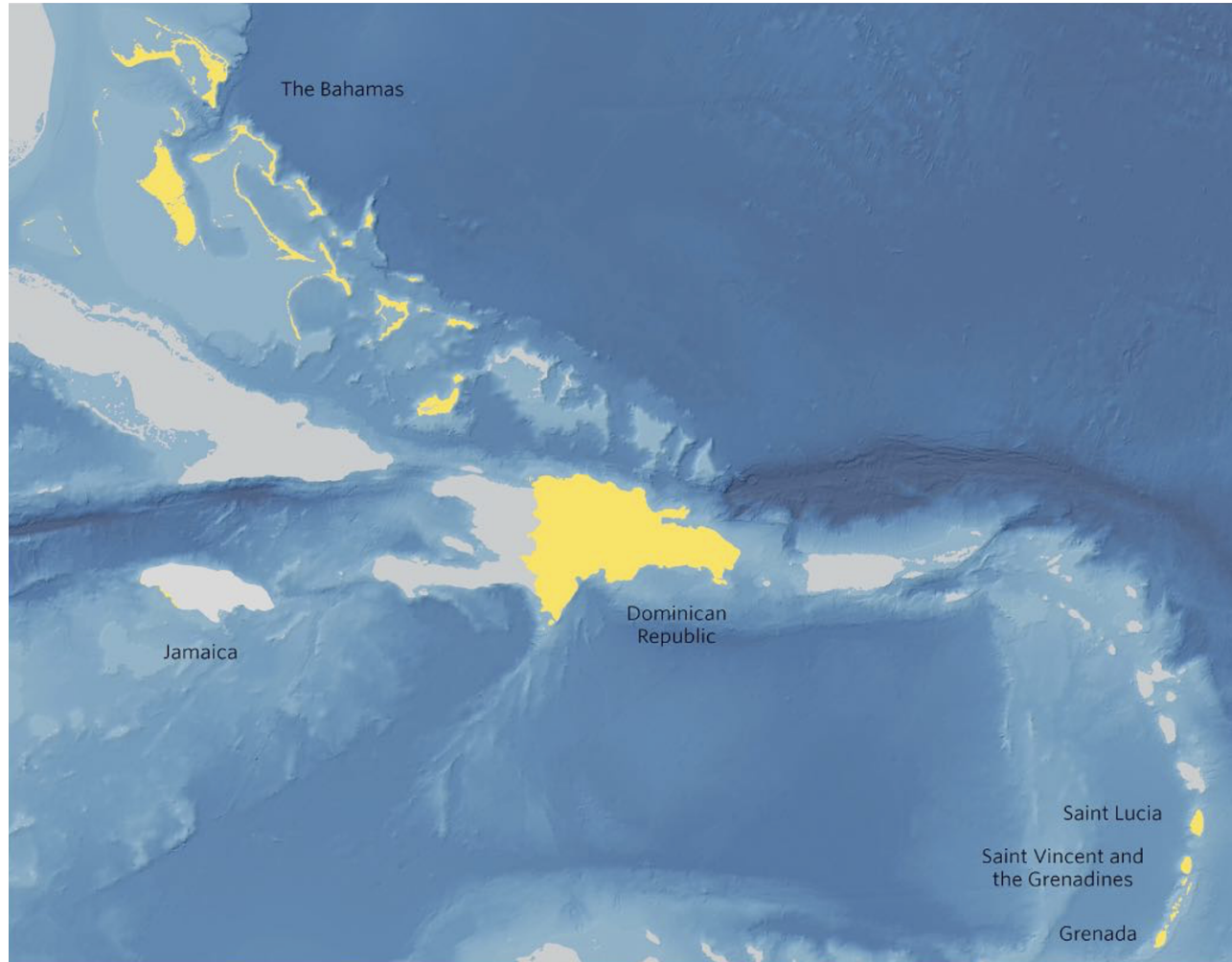
^[1] *"Establishing Sustainable Financing Systems for Marine Protected/Managed Areas in Caribbean Small Island Developing States"*

^[1] <http://www.ipsnews.net/2018/11/blue-economy-new-frontier-small-island-developing-states/>

^[1] <http://www.ipsnews.net/2018/11/blue-economy-new-frontier-small-island-developing-states/>

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.



Dominican Republic - 19°00'N 70°40'W

Saint Lucia - 14°1'N 60°59'W

Grenada - 12°03'N 61°45'W

Saint Vincent and the Grenadines 13°10'N 61°14'W

The Bahamas 24°15'N 76°00'W

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Indigenous Peoples and Local Communities No

Civil Society Organizations Yes

Private Sector Entities Yes

If none of the above, please explain why:

In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement

Name of Organization	Mandate	Role in PIF formulation and Possible Role in the Project
Regional/Global		
The Nature Conservancy	<p>TNC is a 501(c)(3) Non-governmental organization (NGO) working in 60+ countries around the world.</p> <p>TNC has applied science-based approaches and strong government relations and policy capacity to advance biodiversity conservation objectives in the Caribbean for some 25 years.</p> <p>TNC has global and regional technical expertise in EBA, biodiversity conservation, marine spatial planning, resilient coastal development, and innovative finance.</p> <p>In 2017, Mapping Ocean Wealth was awarded the World Travel & Tourism Council's Tourism for Tomorrow Innovation Prize for developing an innovative methodology to map the tourism value of coral reefs around the world. Our data showed that, globally, coral reefs generate U.S. \$36 billion per year to the tourism economy with a combination of 'on-reef' activities like snorkeling and scuba diving, and 'reef-adjacent' values like beautiful beaches and seafood. The research combined traditional data gathering methods with novel approaches, including using data from crowd-sourced platf</p>	<p>TNC was consulted in the development of the PIF and will be a key partner in the project in the areas of Mapping Ocean Wealth, and sustainable finance.</p>

	<p>acies, including using data from crowd-sourced platforms like Flickr to determine the location and density of coral tourism activities. The team is currently enhancing this approach by using AI/machine learning methodologies on additional data sources such as Trip Advisor.</p>	
CAR-RCU	<p>The Cartagena Convention was adopted by countries in the Wider Caribbean in 1983 and is the only legally binding agreement of its kind in the region for the protection of the Caribbean Sea. Through the Convention, governments receive support to control, reduce and prevent marine pollution from all sources.</p> <p>The UNEP Caribbean Environment Programme, which is also the Secretariat of the Cartagena Convention (CAR-RCU), and its LBS protocol through the Assessment and Monitoring of Environmental Pollution (AMEP) programme. It has a wealth of knowledge on the prevention and reduction of pollution from land-based activities. CAR-RCU is a partner executing agency for several GEF and non-GEF projects, the host for the Caribbean Marine Litter Node and Nutrients Platform and through its intergovernmental meetings of technical experts and senior policy makers can facilitate dialogue and consensus at a transboundary level.</p>	<p>The PIF development team worked with CAR-RCU in developing the PIF and they will be a key regional partner, in particular in terms of government relations, regional seas coordination and sustainable tourism.</p>
CLME+ Project Coordination Unit (PCU)	<p>The CLME+ Project is implemented by UNDP and executed by the United Nations Office for Project Services (UNOPS), in close collaboration with a large number of global, regional and national-level partners.</p> <p>The regional Project Coordination Unit (the "CLME+ PCU") is located within the IOCARIBE Offices of the IOC of UNESCO, in Cartagena, Colombia.</p>	<p>The CBF team met with the CLME+ team and, the PROCARIBE and BlueFIN PIFs were coordinated. CLME+ will be a key partner in terms of the complementary efforts of the two projects. This will be worked on in detail during the PPG process.</p>
Organisation of Eastern Caribbean States (OECS)	<p>The Organisation of Eastern Caribbean States (OECS) supports its member states in realizing policy objectives and strategic targets articulated within the St. George's Declaration of Principles for Environmental Sustainability and has collaborative partnerships with regional and international partners and donors in meeting</p>	<p>The CBF team met with the OECS team, in particular to discuss their work on Blue BioTrade that has already begun. OECS and their Blue BioTrade Partners will be a key regional partner in Blue B</p>

	g this development agenda. They are a key regional partner especially since they currently developing an O ECS Green-Blue Economy Strategy and Action Plan.	io trade and overall coordination.
Caribbean Tourism Organization (CTO)	Intergovernmental body on tourism under CARICOM	The CBF team met with past and present members of the CTO. Information on communication of experiences, lessons learned will be key to the participatory development of the PPG and the final project.
Caribbean Hotel & Tourism Association	Regional tourism industry association	The CBF team met with past and present members of the CHTA. Information on sustainable tourism, lessons learned will be key to the participatory development of the PPG and the final project.
Global Island Partnership (GLISPA)	The CBF is a Board member of GLISPA, which is a leading network of SIDS and other island states. The members share and exchange information on a range of best practices, and opportunities.	The CBF team met with GLISPA and sits on the GLISPA Board. Information on communication of experiences, lessons learned will be key to the participatory development of the PPG and the final project.
World Resource Institute (WRI)	WRI is currently developing a beta ocean watch platform as a key output to inform both the High-Level Panel for a Sustainable Ocean Economy and the Friends of Ocean Action. Ocean Watch will be an online monitoring system to support monitoring of impacts of policies and practices in the marine realm. It will build on existing data and platforms such as Resource Watch and Global fishing Watch. It is a platform where users are able to easily find ocean related datasets and systems, overlay additional data and conduct analyses, and develop "dashboards" for easily tracking their areas of interest (e.g., country-specific, issue-specific, marine area-specific).	A significant part of this will be delivered through a GEF funded medium sized project which is being implemented by UNEP. Therefore, synergies will be ensured during PPG.
Dominican Republic		
Fondo Marena	DR based environmental fund / CBF partner with man	As the CSFA Partner in the DR, th

	date to mobilize funding for marine and coastal biodiversity conservation.	e fund was consulted during the development of the PIF. Throughout the PPG and the project, MARENA will be the Sustainable finance partner in DR and will support the design and launch of revenue generation mechanism concepts.
Grupo Punta Cana Foundation	Grupo Puntacana Foundation's mission is to protect and restore the natural resources of the Punta Cana region, while contributing to the sustainable development of the Dominican Republic. Its Centre for Sustainability was built in 1999 as a research and education facility devoted to creating solutions to environmental and social challenges related to tourism development in the Caribbean.	CBF EBA Facility Grantee and potential FM Partner.
Ministry of Environment and Natural Resources	GEF Political & Operational Focal Agency	The PIF development team worked with the Ministry on the endorsement of the PIF. They will play a key facilitative, coordinating role for the project in the DR during PPG.
Grenada		
Grenada Sustainable Development Trust Fund	Grenada based environmental fund / CBF partner with mandate to mobilize funding for marine and coastal biodiversity conservation.	As the CSFA Partner in Grenada, the fund was consulted during the development of the PIF. Throughout the PPG and the project, GSTDF will be the Sustainable finance partner in Grenada; design and launch of revenue generation mechanism concepts.
Grenada Hotel and Tourism Association	Hotel and Tourism Industry Group	Key stakeholder and potential FM Partner.
Grenada Ministry of Climate Resilience, the Environment, Forestry, Fisheries	GEF Political Focal point	The PIF development team worked with the Focal Point on the endorsement of the PIF. The Focal Point also sits on the board of G

ing, Forestry, Fisheries & Disaster Management		Point also sits on the board of the SDTF. They will play a key facilitative, coordinating role for project in Grenada during PPG and project.
Saint Lucia		
Saint Lucia National Conservation Fund (SLUNCF)	A multi-sector, independent, regulatory body for the water and electricity sectors. Lead in the coordination and implementation of all cross-sectoral activities related to climate change adaptation.	As the CSFA Partner in St. Lucia, the fund was consulted during the development of the PIF. Throughout the PPG and the project, SLUNCF will be the sustainable finance partner in SLU; design and launch of revenue generation mechanism concepts.
Saint Lucia Hospitality and Tourism Association	Hotel and Tourism Industry Group	SLUNCF Board Member and CSFA Partner.
Ministry of Education, Innovation, Gender Relations and Sustainable Development	GEF Operational Focal Point - Spearheads all the matters related to sustainable development and serves as the lead environmental agency. It handles biodiversity issues, marine pollution, energy efficiency among others.	The PIF development team worked with the Focal Point on the endorsement of the PIF. They will play a key facilitative, coordinating role for project in SLU during PPG and project.
Saint Lucia Ministry of Tourism, Information and Broadcasting	Drives the implementation of Saint Lucia's Tourism Strategy based on the guiding principles of the Tourism Policy, building on existing product and market strengths, addressing perceived weaknesses and acting upon opportunities presented.	Key stakeholder with respect to tourism policy; target of MOW messaging, target participant in Ocean Wealth Action group.
Saint Vincent and the Grenadines (SVG)		
SVG Hotel and Tourism Association	Hotel and Tourism Industry Group	Informed of the PIF throughout as SVGCF Board member. Key partner; CBF Partner.
SVG Conservation Trust Fund	A multi-sector, independent, regulatory body for the water and electricity sectors. Lead in the coordination and implementation of all cross-sectoral activities related to climate change adaptation.	As the CSFA Partner in SVG, the fund was consulted during the development of the PIF. Throughout the PPG and the project, SVGCF will be the sustainable finance partner; design and launch of revenue generation mechanism c

		oncepts.
Ministry of Health, Wellness and the Environment	Operational Focal Point	The PIF development team worked with the Ministry on the endorsement of the PIF. They will play a key facilitative, coordinating role for project in SVG during PPG and project.
National Parks, Rivers and Beaches Authority	SVGCF Board Member and Partner. Marine Protected Areas manager	Key stakeholder
The Bahamas		
Bahamas Protected Areas Fund (BPAF)	A multi-sector, independent, regulatory body for the water and electricity sectors. Lead in the coordination and implementation of all cross-sectoral activities related to climate change adaptation.	Sustainable finance partner; design and launch of revenue generation mechanisms;
Ministry of the Environment and Housing	Political Focal Point, BPAF Partner, CCI Partner	Key stakeholder
Department of Environmental Planning and Protection	Operational Focal Point	The PIF development team worked with the Focal Point on the endorsement of the PIF. The Department also sits on the board of BPAF. They will play a key facilitative, coordinating role for project in SLU during PPG and project.
Bahamas Environment, Science & Technology	BPAF Partner; works closely with various agencies to achieve the country's goals of a comprehensive system of environmental management.	Key stakeholder

3. Gender Equality and Women's Empowerment

Briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis).

The role women and men play in developing a sustainable blue economy are different. Mapping out these roles and the potential impact the interventions have on women's groups is a step towards achieving a successful implementation model and gender equality. Women play a significant role in coastal communities and Blue Economy and Business solutions have the potential to improve the social welfare of women (for example the diversification of nature-based economic activities can improve economic conditions for women). Developing socio-economic opportunities for this group through nature-based interventions can ensure collective responsibility, access and benefit in conservation and sustainable use of the coastal/marine resources.

Currently, in the Caribbean there is no robust body of knowledge exploring the gender dimension of developing a sustainable blue economy especially for the tourism sector. In order to bridge this gap, during the PPG, the proposed project will develop a regional specific gender assessment regarding the role of women and men in some of the key activities identified, in particular in coastal and marine-based sectors. For example, though some work has been done by the Caribbean Regional Fisheries Mechanism (CRFM) on the role of men and women in Caribbean Fisheries, specific information on ideas and income generation roles for sustainable livelihoods will be considered. Similarly, the role of men and women in non-fisher based marine sectors such as shipping, community development, ecosystem regeneration will be investigated as well as a discussion on the value and approach to gender for the private and public sector interventions. A specific effort will be made to identify initiatives that enhance women's incomes and rights and to consider issues of marginalised gender factors (in the Caribbean this is both men (mainly in terms of education opportunities) and women (economic opportunities)). This information will be incorporated into the assessments of the target ocean financing mechanisms and, will accordingly inform the action plans that will take into account roles/responsibilities, with a participatory approach that ensures due consideration of gender roles. Specific to the project:

- o Financial mechanisms - the design and implementation of financial mechanisms will take into account gender considerations to ensure equitable access and benefit from these mechanisms and its investments.
- o Blue Business Hub - In select sectors, consideration will be given to having a specific gender outcome in terms of ensuring that blue business opportunities are designed and implemented with the gender lens and in turn result in equitable blue business opportunities.

The above information will be used to ensure gender equality and empowerment of women throughout the project execution phase. Advancement of gender mainstreaming within policy and capacity building in support of all the components, especially in the interventions, will be of key significance. The proposed project will also ensure alignment with the GEF Policy on Gender (GEF Secretariat, 2017).

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes

closing gender gaps in access to and control over natural resources;

improving women's participation and decision-making; and/or Yes

generating socio-economic benefits or services for women. Yes

Will the project's results framework or logical framework include gender-sensitive indicators?

Yes

4. Private sector engagement

Will there be private sector engagement in the project?

Yes

Please briefly explain the rationale behind your answer.

This project will convene a novel, multi-stakeholder, multisectoral dialogue through the CSFA partners such as NCTF Boards. The dialogue will focus on exploring the tremendous economic and financial values of coastal and marine ecosystems and how these values can be safeguarded or increased, through business practice changes, through policy, and through the application of sustainable sources of funding mobilized by financing mechanisms that the project will design and test. Regional private sector champions who have been working with the CBF and the Caribbean Challenge Initiative will be targeted as well as local champions in each target country , including those supporting the CSFA National Conservation Trust Funds.

Tremendous potential for scaling and replication of the project's approach and outcomes arises from the breadth and reach of the CSFA and its diverse composition. Comprised of the 900+ member strong Caribbean Hotel and Tourism Association and hospitality industry leaders in the target countries, including Sandals, Grupo Punta Cana, and cruise industry partners, the experience and value of implementing more sustainable business practices by leading players in target countries can be transmitted through that large, influential network.

5. Risks to Achieving Project Objectives

Indicate risks, including climate change, potential social and environmental risks that might prevent the Project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the Project design (table format acceptable)

Risks	Rating	Mitigation
Limited buy-in and up-take of blue economy initiatives.	Medium	Pilot initiatives and Finance Mechanisms funded under the BluEFin project will work with targeted stakeholders for turnkey partnerships increasing their potential for success. The process for subsequent replication of such initiatives will also recommend some design based on the case-by-case of each relevant partnerships. The development of strong partnerships with existing baseline initiatives and other GEF IW projects as a means of facilitating the implementation of blue economy tools.
New valuation and decision tools, and sustainable finance mechanisms do not clearly show benefits to major partners (inter-governmental organizations, regional organizations, governments and private sector) to secure their participation in the interventions.	Low	Communications products and supporting analyses will be designed to make a compelling case for why these mechanisms are in the interests of these different constituencies to promote/adopt/design.
Program will not garner needed participation of a critical mass of accommodations and support of governments.	Low	The CSFA and particularly the NCTF Boards - with multisectoral memberships, networks and relationship - are proposed to be key partners in the project (roles and scope of collaboration to be defined during the PPG). The NCTF Boards are composed of leaders in key conservation ministries, private sector associations and civil society. Also, the barriers listed above are being systematically addressed as part of the Program Design.
Lack of finance sources to sustain and upscale interventions and a lack of willingness to pay for Ecosystem Services.	Low	The project will explore synergies with other funding platforms that could be used to sustain, replicate and scale project outcomes, e.g., the financing facilities in region dedicated to Blue Economy themes. Revenue generation tools promo

		ted by the project can also be used to sustain, replicate, and scale project interventions.
Discontinuation of involvement of project partners, withdrawal of support by key partners (financial support, data and information, etc.).	Low	Continuous contact, interaction and consultation with project partners.
Natural disasters (e.g., hurricanes) affect capacity to local communities to participate in intervention activities.	Medium	Consultations with stakeholders and technical advisors to develop intervention activities that have greater potential for quick recovery after natural disaster.
Effect of COVID-19 Pandemic on productivity and Private Sector interest.	Medium	The tourism sector was significantly affected by COVID initially and is building back. Some other targeted sectors, however, were not severely affected, for example the Shipping Sector bounced back stronger after the initial national lockdowns. Some of these sectors will be targeted. For more information on the COVID 19 risks and opportunities analysis, please refer to the annex uploaded in the RoadMap section.

6. Coordination

Outline the institutional structure of the project including monitoring and evaluation coordination at the project level. Describe possible coordination with other relevant GEF-financed projects and other initiatives.

The proposed project will be implemented through United Nations Environment Programme (UNEP) and executed by the Caribbean Biodiversity Fund (CBF). At the regional level, the secretariat to the Cartagena Convention (CAR-RCU) and The Nature Conservancy (TNC) will support the coordination through CBF. The national level actions on the ground will be led by the NCTFs (representing both public and private sector as well as CSOs) in partnership with other national level actors to be identified during PPG phase. Other key partners include OECS, Ministries of Tourism and Environment, and CHTA. Subject to further discussion during PPG, the project will establish a project coordination unit (PCU) to co-ordinate all day-to-day activities. The PCU will be advised by a PSC meeting annually to ensure the delivery and quality of activities and outputs and to review budget (PSC: included relevant countries national representatives, UNEP, regional partners, private sector and businesses, civil society, etc.). At the Implementing Agency level, oversight and backstopping will be ensured through an appointed Task Manager within UNEP. The evaluation process to be further outlined during PPG will follow the M& E policy of both the GEF and the Implementing Agency.

Co-ordination with other GEF projects: The BluEFin Project will build upon and be closely coordinated with and complementary to other GEF-supported projects such as CReW+, Caribbean Regional Oceanscape Project (CROP) (Eastern Caribbean), IWEco (Caribbean SIDS), and CLME+ project (region-wide) and the coordination mechanisms of the CLME+ SAP. Through GEF IW: LEARN and the CLME+ (Interim) Coordination Mechanism, the project will encourage both the dissemination of lessons and experiences to demonstrate the benefits from a Blue Economy approach to ecosystem and economic sustainability.

The project will work closely with IW:LEARN to participate in regional and global workshops to ensure results of this project are available to the wider IW community of project. In the region the project will work with the GEF International Waters projects including:

Name of Project	
CROP - Caribbean Regional Oceanscape Project	Being implemented by the World Bank in five countries out of which Grenada and Saint Lucia are overlapping with the proposed project. The main goal of CROP is to strengthen capacity for ocean governance, and coastal and marine geospatial planning. The activities undertaken through this project will provide a good baseline and feed into the downscaling efforts. This data will be used to develop a set of analytical models and mapping approaches to generate concrete decision tools on the socio-economic values of marine and coastal resources at the national and sub-national/local scale. During PPG, more alignment will be ensured.
CReW+: An integrated approach to water and wastewater management using innovative solutions and promoting financing mechanisms in the	Jamaica, Grenada, DR, and Saint Lucia are the four overlapping countries with the proposed project. The new CReW+ project will implement small scale solutions for the improved management of water and wastewater that can be upscaled and replicated. An integrated water and wastewater approach will be taken with solutions also being implemented in selected watersheds and freshwater basins to ensure greater water security for vulnerable rural communities. Construction and rehabilitation measures will be complemented by (i) institutional, regulatory, legislative and regulatory reforms; (ii) sustainable and tailor-made financing options; and

Wider Caribbean Region	(iii) knowledge management and promotion to achieve the Sustainable Development Goals and in particular Goal 6 on Water and Sanitation.
Integrating Water, Land and Ecosystems Management in Caribbean Small Island Developing States (IW Eco)	A full-size GEF-funded project being implemented by UN Environment Programme. CARPHA; Secretariat to the Cartagena Convention/CEP; LBS Regional Activity Centres - IMA and CIMA B are the executing agencies of the project. The objective of the project is to conserve the Caribbean ecosystems for sustainable livelihood of the population through improved fresh and coastal water resources management, sustainable land management and sustainable forest management that also seek to enhance resilience of socio-ecological systems to the impacts of climate change. This project follows the previous IWCAM project and out of the nine participating countries, one if relevance to this project, namely Jamaica.
Conserving Biodiversity in Coastal Areas Threatened by Rapid Tourism and Physical Infrastructure Development (Dom. Republic)	Funded by GEF and implemented by the Ministry of Tourism and Ministry of Environment, this project is designed to address the impacts of unsustainable coastal tourism on biodiversity in the Dominican Republic's coastal zone.
Catalyzing Implementation of the Strategic Action Programme for the Sustainable Management of Shared Living Marine Resources in the Caribbean and North Brazil Shelf Large Marine Ecosystems (CLME+)	<p>The project is well aligned with the 10-year Strategic Action Programme for the Caribbean and North Brazil Shelf Large Marine Ecosystems (CLME+ SAP) and supports the (partial) implementation of several of the Priority Actions under the SAP. Specifically, it is aligned with the strategic elements focusing on the mainstreaming of valuation of ecosystem services in national and regional decision-making and policy development and private sector engagement in ecosystem-based management of shared living marine resources (e.g., seagrass beds, mangroves, and coral reefs).</p> <p>The project will contribute in particular to CLME+ SAP Strategies 1, 2, 3 and 4. Additional information regarding how this project will implement these strategies and its actions has been outlined in a table in the proposed alternative scenario.</p> <p>The main focus of the proposed project's on-the-ground activities are centred on 5 out of the 26 CLME+ countries, it will however ensure alignment with CLME+ SAP Strategy 3 and engage with the CLME+ (Interim) Coordination Mechanism and permanent (when established). This can potentially be used as a framework to promote replication, upscaling, political uptake at regional levels and to reduce overlap and duplication.</p> <p>The key project activities will be linked and contribute to (a) relevant regional-level initiatives and activities (including knowledge management and exchange through the CLME+ Hub, clm</p>

eplus.org; and support for the formal, integrated reporting efforts on the “marine environment and its contributions to socio-economic development in the wider Caribbean” (SOMEE and associated UNEP CEP “State of...” reports); and (b) related activities undertaken by other projects and initiatives in other countries from the region (e.g. through knowledge exchange, harmonized approaches and shared technologies with, BE CLME+, and MAR2R, etc.). The latter will be undertaken with the aim of maximizing overall benefits for both the participating countries and the region as a whole.

The project will seek to align its activities with the Regional Strategies and Action Plans on (a) the reduction of nutrient inputs into the marine environment, and (b) the protection and restoration of key marine habitats for the wider Caribbean, and their associated regional investment plans, whose development is currently being coordinated by UNEP CEP with the support of the CLME+ Project.

Co-ordination with other non-GEF projects:

Name of Project	
CRAB Project (AFD/FEM)	The CBF and the Government of France are in the process of designing the Caribbean Regional Architecture for Biodiversity (CRAB) project. The overall objective of this project is to support the implementation of a Sustainable Funding Program for Biodiversity in the Caribbean, building on the guidelines and recommendations of the Architecture Sustainability Action Plan (SAP) developed by the CBF and The Nature Conservancy (TNC) in 2019.
Resilient Islands by Design (TNC) https://coastalresilience.org/project/resilient-islands/	Funded by the German IKI Office and focusing on interventions in the Dominican Republic, Grenada, Jamaica, the project is being implemented by The Nature Conservancy (TNC) and aims to provide governments in Jamaica, the Dominican Republic and Grenada with practical tools that illustrate how and where key natural resources (e.g., reefs, wetlands, fisheries and natural flood plains) are critical to reducing risks from coastal hazards and meeting some primary development needs. This will help governments and communities to prioritize and guide decision on investments in ecosystem-based adaptation (EBA) actions. The project will also implement community based EBA demonstration projects at select sites that will demonstrate how key natural resources are critical to climate adaptation.
Tourism Enhancement Fund (St. Lucia) http://www.saintluciatef.com/	The Tourism Enhancement Fund has been created to allow the St. Lucia Hotel and Tourism Association to play an integral part in the sustainable development of Saint Lucia, including focus on the environment, sustainable tourism practices, etc.
Coral Restoration in Punta Cana, Dominican Republic (Dom. Republic)	Funded by the EBA Facility within the Caribbean Biodiversity Fund, this project supports coral restoration in the Punta Cana region of the Dominican Republic.
The Caribbean Aquatic Terrestrial Solutions (CATS) (BMZ) Programme https://cats.carpha.org	The CATS programme is being funded by the German Federal Ministry of Economic Cooperation and Development (BMZ). It is implemented in eight target countries (Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, Saint Lucia and St. Vincent and the Grenadines) since 2013, with its second phase commencing in 2017. Three of the countries are considered focal countries, namely Dominica, Grenada and Saint Lucia.
Business and Biodiversity in Central America and Dominican Republic (Dom. Republic) https://www.giz.de/en/worldwide/28431.html	Funded by German BMZ, this project seeks to engage the private sector in the Dominican Republic more actively in the sustainable use of biodiversity

7. Consistency with National Priorities

Is the Project consistent with the National Strategies and plans or reports and assessments under relevant conventions?

Yes

If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc

- National Bio Strategy Action Plan (NBSAP)
- CBD National Reports
- Cartagena Protocol National Report
- Nagoya Protocol National Report
- UNFCCC National Communications (NC)
- UNFCCC Biennial Update Report (BUR)
- UNFCCC National Determined Contribution
- UNFCCC Technology Needs Assessment
- UNCCD Reporting

The project will contribute to:

a) *Sustainable Development Goals (SDGs) SDGs*

With a focus on changes in tourism business practices and actions by tourists, the proposed project is designed to achieve (i) economic benefits (jobs, income, strong local and national economies); (ii) marine biodiversity benefits (healthier, more extensive, and more resilient marine and coastal ecosystems, including near-shore fish stocks); and (iii) climate adaptation benefits (e.g., flood protection against storms provided by marine and coastal ecosystems). These benefits will contribute to several SDGs, particularly:

- o SDG 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)
 - § TARGET 8.3 - Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.
 - § TARGET 8.9 - By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.
- o SDG 12 (Ensure sustainable consumption and production patterns)
 - § TARGET 12.2 - By 2030, achieve the sustainable management and efficient use of natural resources.
 - § TARGET 12.b - Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products.

- § TARGET 12.a - Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production.
- o SDG 14 (Conserve and sustainably use the oceans, seas and marine resources for sustainable development)
- § TARGET 14.7 - By 2030, increase the economic benefits to small island developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism.
- § TARGET 14.a - Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries.
- § TARGET 14.b - Provide access for small-scale artisanal fishers to marine resources and markets.
- o SDG 17 (Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development)
- § TARGET 17.3 - Mobilize additional financial resources for developing countries from multiple sources.

b) CBD's Aichi Biodiversity Targets and their successors, specifically:

- o Target 11 - By 2020, at least 17 per cent of terrestrial and inland water, and 10 per cent of coastal and marine areas, especially areas of particular importance for biodiversity and ecosystem services, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures and integrated into the wider landscapes and seascapes.
- o Target 14 - By 2020, ecosystems that provide essential services, including services related to water, and contribute to health, livelihoods and well-being, are restored and safeguarded, taking into account the needs of women, indigenous and local communities, and the poor and vulnerable.
- o Target 15 - By 2020, ecosystem resilience and the contribution of biodiversity to carbon stocks has been enhanced, through conservation and restoration, including restoration of at least 15 per cent of degraded ecosystems, thereby contributing to climate change mitigation and adaptation and to combating desertification.
- o Target 20 - By 2020, at the latest, the mobilization of financial resources for effectively implementing the Strategic Plan for Biodiversity 2011-2020 from all sources, and in accordance with the consolidated and agreed process in the Strategy for Resource Mobilization, should increase substantially from the current levels. This target will be subject to changes contingent to resource needs assessments to be developed and reported by Parties.

c) The 10-year Strategic Action Programme for the Caribbean and North Brazil Shelf Large Marine Ecosystems (CLME+ SAP), developed under the UNDP GEF Caribbean Large Marine Ecosystem (CLME) project.

d) Expand on the 20-by-20 and sustainable finance goals under the Caribbean Challenge Initiative.

e) OECS Green-Blue Economy Strategy and Action Plan.

f) The project is well aligned with NDCs and NBSAPs of the target countries:

- o Dominican Republic (DR).

The 2020 NDC for the Dominican Republic targets 7 adaptation measures including "climate change adaptation investment priorities" and "contribution of adaptation measures to other frameworks and/or international conventions". The BluEFin project will also address the targeted SDGs noted in the NDCs: low levels of multi-dimensional poverty, competitiveness and decent employment, sustainable production and consumption, resilient populations facing climate change and other risks, and solid and inclusive public institutions.

The DR's National Development Strategy (2010-2030) and NBSAP (2011-2020) are mutually supportive. In parallel with the preparation of the NBSAP, the National Red List of Threatened Species of Flora and Fauna and the National Strategy on Invasive Alien Species were also prepared, and the Endemic and Native Seeds Bank established. The National System of Protected Areas (SINAP) has been strengthened through the implementation of SINAP's Master Plan (2010-2030) and, in terms of sustainable conservation financing, the establishment of an Endowment Fund for Protect Areas.

o Saint Lucia

Saint Lucia currently has in place a Climate Financing Strategy which considers different sources of financing such as Domestic Public Resources, International Public Finance, and Domestic and International Private Finance. Consistent with the NAP process, the NAP Climate Financing Strategy is an ongoing and iterative process that would regularly evaluate funding needs and opportunities and would develop project or programme concepts to implement and assess the progress and impacts of these measures. It should be noted that Saint Lucia, as a SIDS, has very limited resources and is expected to mobilize a significant amount of international technical and financial resources to address climate change. The 2020 Saint Lucia NDC has developed an Implementation Plan and a Financing Strategy for the NDC with concrete measures and timeline for their implementation to transition the NDC target to real action and emission reductions.

The Saint Lucia NBSAP vision is supported by four goals linked to the goals of the National Strategic Plan. Ten (10) issues were prioritized, including:

- Holistic biodiversity mainstreaming for national development, including inter alia issues on sustainable land management, foreign and local investment, human cultural values and human health.
- Establishment of more formal mechanisms to improve coordination and collaboration among stakeholders.
- Further strengthening of agency and community capacities for managing biodiversity, including through inter alia appropriate technologies for sustainable consumption and production, research and systematic observation, monitoring and evaluation.
- Identification and support for sustainable financing mechanisms.

o Grenada

The Grenada NDC target the following sectors: Energy (including domestic transport) - Forestry - Waste - IPPU (Cooling sector). Grenada anticipates implementing the NDC through access to multilateral and bilateral support including through the Green Climate Fund, multilateral agencies, and bilateral arrangements with development partners. These funds will be used to leverage the limited national resources and technical capacities that are available for combatting climate change.

Grenada's revised NBSAP (2016-2020) was prepared against the backdrop of the current Strategic Plan for Biodiversity and its Aichi Targets and in parallel with the fifth national report completed in 2014. The revised NBSAP also builds upon the first NBSAP adopted in 2000. National priority targets have been set focusing on five themes: i) CEPA, valuation, infusion of biodiversity in national programming and decision-making; ii) integration and mainstreaming across all

decision-making levels; iii) sharing and applying biodiversity knowledge, science and technology and building national capacity; iv) making adequate resources available and fully implementing the NBSAP; and v) restoring and sustainably managing key national terrestrial and marine ecosystems (priority ecosystems are forest, agriculture, freshwater and coastal and marine).

o Saint Vincent & the Grenadines (SVG)

Proposed SVG strategic interventions include:

- Increase public awareness with regard to climate change issues;
- Build resilience to minimise damage to settlement and infrastructure;
- Minimise damage to beach and shoreline integrity and marine ecosystems;
- Minimise the negative impact of climate change on agriculture and human health; and
- Develop appropriate legislative and regulatory framework, for proper environmental management, and institutional systems for responding and mitigating effects of climate change.

The revised SVG NBSAP (2015-2020) mirrors the Strategic Plan for Biodiversity 2011-2020 however has been customized to account for the country's unique circumstances, as well as the National Economic and Social Development Plan (NESDP) (2013-2025). NBSAP implementation will be guided by four nationally determined strategic goals focused on: mainstreaming; biodiversity monitoring and the establishment of mechanisms to address threats; ecosystem-level conservation; and conservation and restoration to improve resilience to climate change and mitigation potential. In addition to having identified internal and external sources of financial support, innovative sources of funding, including environmental fiscal reform, payments for ecosystem services, biodiversity offsets, markets for green products, biodiversity in climate change funding, among other financial mechanisms

o The Bahamas

The Bahamas NDC note the following relevant adaptation measures:

- Work with stakeholders in the tourism sector to develop a strategic plan, which incorporates Climate Change considerations and appropriate measures such as water conservation programmes, as well as general sustainability concerns.
- Adopt short-, medium-, and long-term measures to protect coastlines and increase the resilience of coastal ecosystems, enforcement of setbacks, and restoration of coastal wetlands.
- Promote the use of less carbon intensive fuels.

The Bahamas' NBSAP is in need of updating, but as an archipelagic state, the 2011 document noted the need for management of coastal and offshore Biodiversity issues. It also specifically noted specifically the need for targeted support for the NBSAP and long-term measures, including Public Private Partnerships

g) In Country Political Strategies

This Program focuses on marine/coastal ecosystems and tourism sustainability. It is well aligned with political commitments/strategies of all target countries. Specifically, it supports:

o The Bahamas

- Bahamas Environment, Science & Technology Commission also known as the BEST Commission

- Bahamas Climate Change Policy
- Bahamas Protected Funds Act
- NBSAP
- o Dominican Republic
 - Constitution - mandates the responsibility of the government and citizens to prepare for climate change and take climate adaptation action
 - 2030 National Development Strategy
- o Grenada
 - National Strategic Development Plan
 - National Environment Policy and Management Strategy
 - National Climate Change Policy
- o Saint Lucia
 - 2030 National Development Strategy
 - Draft National Ocean Policy & Strategic Action Plan
 - Draft Resilience Ecosystems Adaptation Strategy and Action Plan
- o St. Vincent and the Grenadines
 - National Climate Change Policy of Saint Vincent and the Grenadines
 - Development of a National Ocean Policy Discussion Document
 - Draft Fisheries and Aquaculture Policy and Action Plan

8. Knowledge Management

Outline the knowledge management approach for the Project, including, if any, plans for the Project to learn from other relevant Projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

The project will design and implement a Caribbean community of learning in Conservation Finance. Initial areas of focus will be regional blue economy and business and sustainable financing. A Learning Network will be created to disseminate project lessons and knowledge across the Caribbean, leveraging the networks of the main project partners: Caribbean Biodiversity Fund, UNEP, TNC, NCTFs and linked to the CLME+ Hub. Learning activities will include participation at the International Waters conferences and at least 3 case studies and fact sheets will be developed.

Knowledge management and best practice exchange at the local/national and regional levels between participating countries is an important element of the project and has been directly incorporated into component 4 of the proposed project. Knowledge products, data platforms, maps and communication materials generated by the project will be widely shared through the project website, which will be compliant with the IW: LEARN toolkit.

Other activities such as awareness raising campaigns, results monitoring platform for the financing architecture, capacity building, and technical trainings provided to public and private sector will help enhance the visibility of the project and contribute to raising awareness. The programs will target local communities, universities, schools, governments, NCTFs, civil society, private sector, tourism businesses, hotels etc. In addition, regional and national campaigns will be used to help generate broad support for the sustainable management of marine and coastal resources and the adoption of Sustainable Finance mechanisms.

Through GEF IW:LEARN, the project will engage with other Caribbean countries and with coastal and island nations more broadly to facilitate the dissemination of innovative blue economy tools and the implementation of Blue Economy solutions. At least 1% of total project budget will be set aside for knowledge management and information exchange activities organized by IW:LEARN (e.g., International Waters Conference participation, information dissemination through IW:LEARN platforms and networks, twinning exercises). The proposed project activities under component 4 will deliver at least 3 experience notes and fact sheets.

9. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification*

PIF

CEO Endorsement/Approval MTR

TE

Medium/Moderate

Measures to address identified risks and impacts

Provide preliminary information on the types and levels of risk classifications/ratings of any identified environmental and social risks and potential impacts associated with the project (considering the GEF ESS Minimum Standards) and describe measures to address these risks during the project design.

Please see attached UNEP Safeguard Risk Identification Form (SRIF) document outlining the details.

Supporting Documents

Upload available ESS supporting documents.

Title

Submitted

UNEP SRIF

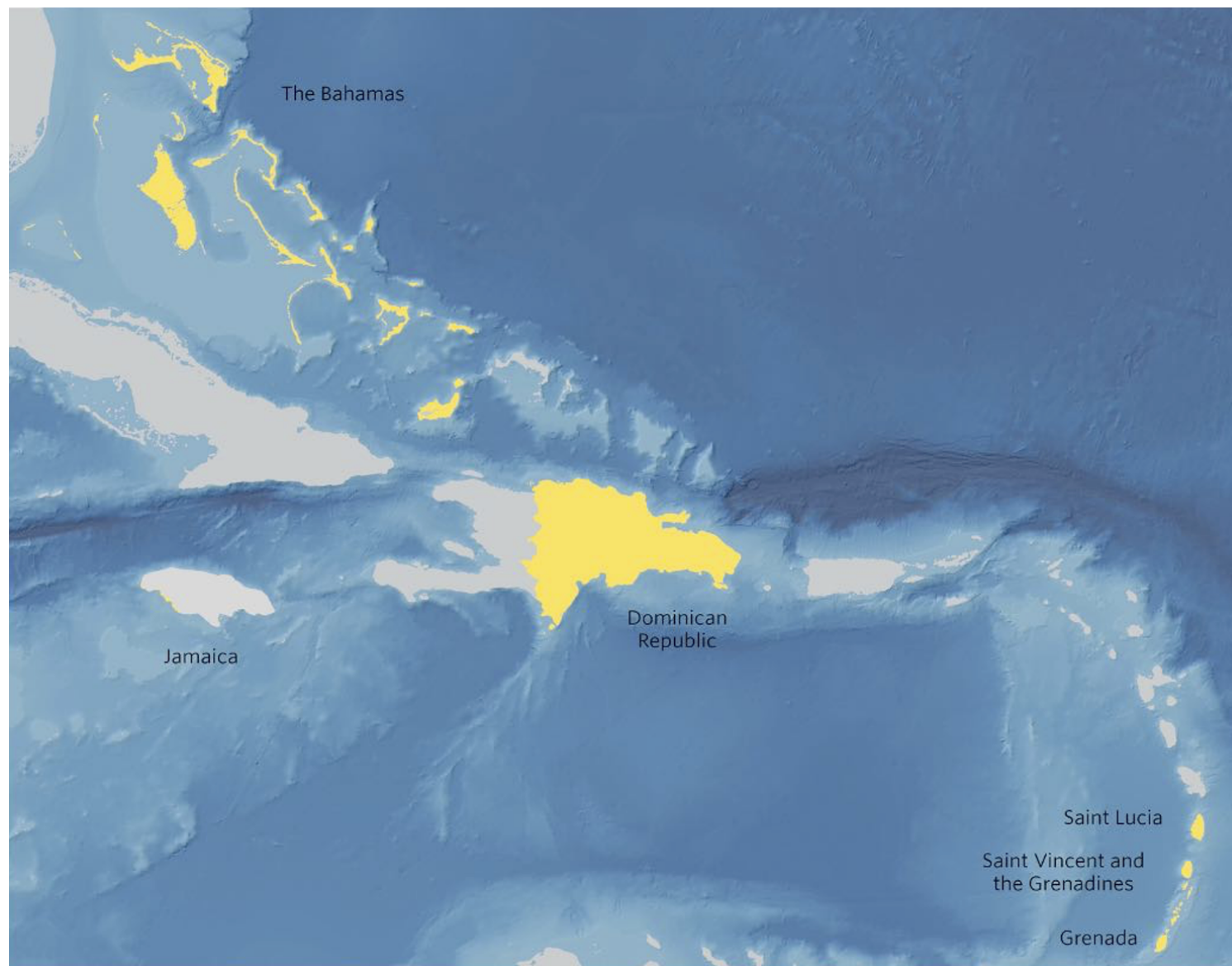
Part III: Approval/Endorsement By GEF Operational Focal Point(S) And GEF Agency(ies)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the Operational Focal Point endorsement letter with this template).

Name	Position	Ministry	Date
Ms. Samantha Justin	Chief Technical Officer GEF/OFP	St. Lucia - Ministry of Education, Innovation, Gender Relations and Sustainable Development	3/17/2021
Ms. Rochelle Newbold	Director, The Department of Environmental Planning and Protection	Bahamas - Ministry of the Environment and Housing	3/17/2021
Mrs. Janeel Miller-Findlay	Director, Sustainable Development Unit	St. Vincent and the Grenadines - Ministry of Health, Wellness and the Environment	3/17/2021
Dr. Kelvin Michael George	Director, Department of Economic and Technical Cooperation, Financial Complex, Carenage	Grenada - Ministry of Finance, Planning, Economic Development and Physical Development	3/24/2021
Ms. Milagros De Camps	Vice Minister of International Cooperation	Dominican Republic - Ministry of Environment and Natural Resources	3/30/2021

ANNEX A: Project Map and Geographic Coordinates

Please provide geo-referenced information and map where the project intervention takes place



Dominican Republic - 19°00'N 70°40'W

Saint Lucia - 14°1'N 60°59'W

Grenada - 12°03'N 61°45'W

Saint Vincent and the Grenadines 13°10'N 61°14'W

The Bahamas 24°15'N 76°00'W