

Caribbean BluEFin (Caribbean Blue Economy Financing Project)

Basic Information

GEF ID

10782

Countries

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

Project Title

Caribbean BluEFin (Caribbean Blue Economy Financing Project)

GEF Agency(ies)

UNEP

Agency ID**GEF Focal Area(s)**

International Waters

Program Manager

Christian Severin

PIF

Part I – Project Informatic

Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin):Yes

Agency Response

Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin):Partly, please address following points:

0) the submission reads as if the investment is a BD GEF investment and not an IW investment. Supporting addressing a financial gap of BD financing in the region is not directly within the IW mandate to address. ON the other hand if the investment is to support countries in implementation of the regional Caribbean LME SAP, it is directly within the mandate. The PIF can and should be strengthened with references to the Caribbean LME SAP and which parts of it, this investment will be supporting implementation of.

1)it is noted that none of that raised cofinancing will be in the form of real grant financing, that will be up to the project to manage, but primarily is parallel financing, that will not be directly supporting the financial mechanisms to be tested by the GEF grant.

2)The GEF investment is not a BD GEF investment and not an IW investment. Supporting addressing a financial gap of BD financing in the region is not directly within the IW mandate to address. ON the other hand if the investment is to support countries in implementation of the regional Caribbean LME SAP, it is directly within the mandate. The PIF can and should be strengthened with references to the Caribbean LME SAP and which parts of it, this investment will be supporting implementation of.

2) The Core Indicator 2 is consisting of activities in countries that have not endorsed the project. Please adjust

3) it is not possible to understand from reading the incremental reasoning what will happen if GEF is not investing in this. or what GEFs potential investment in this will build on.

4) many of the sections have a strange formatting. when resubmitting, please try to address this.

5) Section 6 is to describe the GEBs delivered through this investment. the section merely describes the Caribbean as a species rich region. that is NOT enough, the section need to let the reader understand what GEBs the project will deliver.

6) it is not easy to understand how the 3 regional financial mechanisms will function, nor what size of investment it will take to have them "generate" \$300-600k annually.

7) Please upload all LOEs

20th of April 2021 (cseverin): Partly, most points above have been addressed.

1) however, it is still not possible to understand what the GEF increment is. Please include description that clearly describes what will happen in the countries without the GEF grant, that the GEF invest will be building upon. Please note that incremental reasoning is not the same as cofinancing.

2) the investment is according to the description included to support Ocean Finance Mechanisms, however, the description included under component 1, includes reference to freshwater investments with a set up like the water funds. This investment is not to support the deployment of water funds, but support development and testing of Blue financing vehicles to support sustainable ocean management.

23rd of April 2021 (cseverin): Addressed

Agency Response

16th of April 2021

0) Noted, references to the CLME+ SAP have been highlighted in several sections including environmental problems, root causes and the baseline. This project will be implementing several of the CLME+ SAP Strategies and Actions especially 1,2,3 and 4. A comprehensive table outlining the specific actions/strategies and how this project will implement them has been added in the beginning of the proposed alternative scenario.

1) Additional information regarding the direct support on the financing mechanisms has been provided in the box below the co-financing table. Please note that both the CRAB (funded by AFD & FFEM) and SMF (GIZ) projects have components directly supporting the design of financial mechanisms at the national and regional levels that will support the work under this project. 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.

- 2) The core indicators were consisting of non-participating countries because of the indirect benefits of the project activities at the regional scale. However, to avoid confusion only the participating countries have been mentioned and the rest are covered at the regional level indirectly.
- 3) The incremental cost reasoning section has been amended and now includes language on what would happen without the GEF investment especially in terms of its transboundary elements and blue economy.
- 4) The formatting only shows up in the downloaded PIF version but not in the portal itself. However, we have re-formatted those specific sections and ensured that there are no such errors in this version.
- 5) The section on Global Environment Benefits has been amended and now reflects the benefits to be delivered by the project itself.
- 6) Please refer to the revised component 1 description under the proposed alternative scenario. We have added information on how the financing mechanisms will function.
- 7) The missing LOEs from Grenada and Dominican Republic have now been uploaded on the portal.

22nd of April 2021

- 1) The incremental cost reasoning section has been further refined to include what would happen without the GEF investment. Please refer to section 5.
- 2) Please refer to the revised component 1 description under the proposed alternative scenario. We have removed reference to the water funds and added one on impact investments/blended finance mechanisms in collaboration with Blue Finance.

Co-financing

3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): Yes the cofinancing level is okay. It will be interesting to follow the investment as it will develop to identify if it will be able to leverage additional grant or other type of financing to support the activities.

28th of April 2021 (cseverin): No, please address following comment: Cofinancing from GErmany, GIZ and France should be classified as "donor agency" and not "other".

29th of April 2021 (cseverin): Addressed

Agency Response

16th of April 2021

Noted, we are also optimistic regarding attracting additional interest from other donors during the life of the project.

28th of April 2021

Addressed, the co-financing from Germany, GIZ and France is now classified as "donor agency".

GEF Resource Availability

4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat Comment at PIF/Work Program Inclusion 12th of April 2021 (cseverin):Yes

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

The LDCF under the principle of equitable access?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion 12th of April 2021 (cseverin):Yes

Agency Response

Core indicators

**6. Are the identified core indicators in Table F calculated using the methodology included in the corresponding Guidelines?
(GEF/C.54/11/Rev.01)**

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): No, please make sure that the activities summed under core indicator 2 are in countries participating in the investment.

21th of April 2021 (cseverin): It is still not clear how the project will be able to tabulate "indirect" delivery of more than 62.000 ha of MPAs, in countries that are NOT part taking in the investment. Please only list delivery towards the indicator for countries that are part of the investment, if the project end up delivering higher than anticipated due to delivery from other national advances, that can be directly linked to this investment, then excellent, but please remove at this time.

23rd of April 2021 (cseverin): Addressed

28th of April 2021 (cseverin): No, please reassess if the number of direct beneficiaries is correct. It appears to be very high. If it continues to be this high, please provide a solid justification on how the project is planning to interact and ensure that this many stakeholders will be direct beneficiaries.

29th of April 2021 (cseverin): Addressed

Agency Response

16th of April 2021

As mentioned above, the core indicators were consisting of non-participating countries because of the indirect benefits of the project activities at the regional scale. However, to avoid confusion only the participating countries have been mentioned and the rest are covered at the regional level indirectly.

22nd of April 2021

Noted, the regional indirect benefits have been removed and the total core indicator values were updated.

28th of April 2021

Addressed, the number of direct beneficiaries was reduced.

7. Is the project/program properly tagged with the appropriate keywords as requested in Table G?

Secretariat Comment at PIF/Work Program Inclusion 12th of April 2021 (cseverin):Yes

Agency Response

art II – Project Justification

1. Has the project/program described the global environmental/adaptation problems, including the root causes and barriers that need to be addressed?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin):Yes

Agency Response

2. Is the baseline scenario or any associated baseline projects appropriately described?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin):Yes

Agency Response

3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): Yes, however, please expand description on the three proposed regional financial mechanisms.

21st of April 2021 (cseverin): Partly, please note that this investment is to focus on ocean finance mechanisms and not the classic freshwater focused "waterfunds".

23rd of April 2021 (cseverin): Addressed

Agency Response

16th of April 2021

As mentioned above, please refer to the revised component 1 description under the proposed alternative scenario. We have added information on how the financing mechanisms will function.

22nd of April 2021

As mentioned above, please refer to the revised component 1 description under the proposed alternative scenario. We have removed reference to the water funds and added one on impact investments/blended finance mechanisms in collaboration with Blue Finance.

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): Yes

Agency Response

5. Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): No, is not possible to understand from reading the incremental reasoning what will happen if GEF is not investing in this. or what GEFs potential investment in this will build on.

21st of April 2021 (cseverin): This issue persists, please include a clearer incremental reasoning.

23rd of April 2021 (cseverin): Addressed

Agency Response

16th of April 2021

As mentioned above, the incremental cost reasoning section has been amended and now includes language on what would happen without the GEF investment especially in terms of its transboundary elements and blue economy.

22nd of April 2021

As mentioned above, the incremental cost reasoning section has been further refined to include what would happen without the GEF investment. Please refer to section 5.

6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): No, the GEB section does not outline how and what the project will deliver towards the GEBs. Please add

21st of April 2021 (cseverin): Addressed adequately at this time. but please work towards finetuning this during ppg phase.

Agency Response

16th of April 2021

As mentioned above, the GEB section has been amended and now highlights how the project will deliver towards GEBs.

7. Is there potential for innovation, sustainability and scaling up in this project?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin):Yes

Agency Response

Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project's/program's intended location?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin):Yes

Agency Response

Stakeholders

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): No, please provide information on which stakeholders have been consulted through the PIF formulation exercise. It is not possible to understand by reading stakeholder engagement section, as that primarily focuses on post approval activities

exercise. It is not possible to understand by reading stakeholder engagement section, as that primarily focuses on post approval activities.

21st of April 2021 (cseverin): Addressed

Agency Response

16th of April 2021

Several stakeholders including the CLME+ PCU, Secretariat to the Cartagena Convention (CAR/RCU), the National Conservation Trust Funds (NCTFs), OECS, Caribbean Tourism Organization, Global Island Partnership, Caribbean Hotel and Tourism Association, various national stakeholders, and the GEF operational focal points of the participating countries were all consulted during the PIF formulation process. The stakeholder table now clarifies the role of the partners and the consultation process carried out during PIF preparation.

Gender Equality and Women's Empowerment

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): No, the Gender section does not elaborate on the consultation process planned for the project preparation, nor does it spell out what and how the project is anticipating ensuring gender aspects will be reflected upon in financial mechanisms and their set up.

21st of April 2021 (cseverin): Addressed

Agency Response

16th of April 2021

The gender section does state that during PPG, the team 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. This information will be used to ensure gender equality and empowerment of women throughout the project execution phase. Additional information regarding the role of women in the financing mechanisms has been outlined in the revised gender text.

Private Sector Engagement

Is the case made for private sector engagement consistent with the proposed approach?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin):

Yes

Agency Response

Risks to Achieving Project Objectives

Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin):

Yes

Agency Response

Coordination

Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined?
Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): Yes

Agency Response

Consistency with National Priorities

Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): Yes

Agency Response

Knowledge Management

Is the proposed "knowledge management (KM) approach" in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project's/program's overall impact and sustainability?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): Yes

Agency Response

Environmental and Social Safeguard (ESS)

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): Yes

Agency Response

art III – Country Endorsements

Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): No, LOEs are missing, please upload

21st of April 2021 (cseverin): Addressed

Agency Response

16th of April 2021

The missing LOEs from Grenada and Dominican Republic have now been uploaded on the portal.

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

EFSEC DECISION

RECOMMENDATION

Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?

Secretariat Comment at PIF/Work Program Inclusion

12th of April 2021 (cseverin): No, please address comments and resubmit.

21st of April 2021 (cseverin): No please address remaining issues and resubmit

23rd of April 2021 (cseverin): Yes, project is recommended for technical clearance

28th of April 2021 (cseverin): No please address remaining two comments and resubmit ASAP

29th of April 2021 (cseverin): Yes, project is recommended for technical clearance

ADDITIONAL COMMENTS

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

Review Dates

PIF Review	Agency Response
First Review	
Additional Review (as necessary)	
Additional Review (as necessary)	
Additional Review (as necessary)	
Additional Review (as necessary)	

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval

The Caribbean Sea Large Marine Ecosystem (LME) directly supports the economies of 34 coastal and small island countries and territories. The shared marine ecosystem resources have the potential to make a tremendous contribution to poverty reduction and shared prosperity for the region’s growing population of 40 million. The concept of “Blue Economy” and “Blue Businesses” is in its early stages in the insular Caribbean region and the proposed 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.

The proposed investment will do this by creating and strengthening the nature-based transboundary Blue Economy opportunities and approaches in the Caribbean through innovative financing mechanisms working closely with the Caribbean Biodiversity Fund.

With a focus on a Blue Economy and Blue Businesses the project will support and emphasize developing new financial mechanisms beyond the regular financing options of multilateral and bilateral funding. The project will implement the GEF ME+ SAP’s Strategy by identifying “blue

the regular financing options of multilateral and bilateral funding. The project will implement the CEMER-CAI's Strategy by identifying "blue economy and business" approaches that can provide models for the Caribbean region as a whole.

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 ten environmental funds. The Caribbean Biodiversity Fund, is unique in the region, utilizing economies of scale for regional investment management.