



Caribbean Green Economy Action Learning Group

Discussion paper

#6

The policy flux:

Current green economy policy initiatives in the Caribbean

by Shawn Carter¹

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Green Economy

Scope and scale of green economy initiatives in the region

There has been much discussion at the national, regional and international levels about the applicability and relevance of transitioning to a green economy in Caribbean states. At the Caribbean Community Council on Trade and Economic Development (CARICOM COTED) special meeting on the environment in 2011, Caribbean Environment Ministers recognised green economy efforts in Barbados, Dominica and Guyana. Since then, Grenada has produced a green economy roadmap for Carriacou and Petit Martinique.

These four have taken different approaches to transitioning to a green economy:

- The *Green Economy Scoping Study for Barbados - Building a Resource-Efficient Green Economy (GESS)* focuses on four sectors (tourism, agriculture, housing/building and transport) and four resource use and management issues (water, waste, energy and land). The study makes policy, programme and project recommendations and indicates

The Caribbean Green Economy Action Learning Group (GE ALG) is made up of development professionals and academics from the region, with a range of expertise including development economics, planning, tourism, agriculture, social development, public administration, rural development, environmental management, disaster management, gender and climate change.

The Caribbean Natural Resources Institute (CANARI) serves as convenor for the Group. The purpose of the GE ALG is to identify and promote ways in which “green economy” can advance sustainable development in the Caribbean through shaping visions, perspectives, positions and actions. The GE ALG collectively plans research actions and draws lessons and recommendations for policy and practice.

The GE ALG produces Discussion Papers to inform reflection and analysis on key topics relevant to transforming economic development in the Caribbean. Please see <http://www.canari.org/greeneconomy.asp> for more information.

¹ Shawn Carter is an Attorney-at-Law and environment and sustainable livelihoods consultant based in Barbados. She is a member of the Caribbean Green Economy Action Learning Group.

- the requisite enabling environment for the transition to a green economy as it relates to these sectors [1].
- *Dominica's Organic Island Initiative* focuses on development and implementation of a 10-year programme of action to establish the country as an "Organic Island" and wellness tourism destination. The initiative aims to "coalesce the food, the activities, the eco-tourism and agro-tourism opportunities into a high end unspoilt image of the country" [2]. The approach is based on developing organic production and marketing systems that are sustainable and do not require an excessive amount of natural resources. This will require setting and implementing standards for primary food production through all stages of operations. It will also involve accelerated and sustainable use of national resources including socio-cultural and indigenous community knowledge-based assets, forest products, non-timber forest products, food and agriculture, water and renewable energy, to transform the social and economic development of the country.
- *Guyana's Low Carbon Development Strategy: Transforming Guyana's Economy While Combating Climate Change (LCDS)* [3] is designed to transform Guyana's economy to deliver greater economic and social development for the people of Guyana by following a low carbon development path; and to provide a model for the world of how climate change can be addressed through low carbon development in developing countries, if the international community takes the necessary collective actions, especially relating to Reducing Emissions from Deforestation and forest Degradation and avoided deforestation (REDD+). The LCDS identifies conditions

under which Guyana would pursue green growth by protecting its rainforest in the long term once acceptable economic incentives are created; and using the payments received for forest climate services (carbon credits) to re-orient the country's economy to a low carbon, environmentally sound path.

- *The Carriacou and Petite Martinique Roadmap on Building a Green Economy for Sustainable Development* of 2012 focuses on energy resources and technology; water resources; education and jobs; transport; agriculture, fisheries, and food security; ecotourism; and environmental sustainability. The Roadmap is an initial study for the "development of a more in-depth, systematic assessment for designing green economies in [small island developing states]" [4].

There have also been several regional and national dialogues on green economy, for example:

- The Caribbean Natural Resources Institute (CANARI) facilitated a regional dialogue between December 2009 and February 2012 to elicit ideas from a wide cross-section of Caribbean stakeholders on what green economy means in the Caribbean context. The results [5] were widely disseminated and have formed the basis for the establishment of a Caribbean Green Economy Action Learning Group coordinated by CANARI [6].
- The Caribbean Green Economy Forum in 2012 showcased the Barbados GESS and facilitated a regional green economy discussion.
- St. Lucia held its Second National Environment Forum on the theme *Walking the Path towards a Green*

Economy in 2011, as part of the Rio+20 preparatory process.

- The Caribbean Green Economy Initiative (CGEI) was recently launched under the auspices of the United Nations Environment Programme (UNEP) and CARICOM and with the financial support of the European Union. The CGEI will include four main components: assessing green economy investment potential in three countries (Haiti, Jamaica and St. Lucia), developing a regional network on green economy, establishing a regional green economy centre of excellence and preparing a regional capacity building portfolio.

Vision and objectives

Of the four national initiatives, only the Barbados GESS study was guided by an explicit definition of a green economy². However, these initiatives draw on a common set of concepts in defining the transition towards a green economy. These include environmental mainstreaming; resource use efficiency (water, energy, waste); sustainable consumption and production; sustainable agriculture, tourism, fisheries and forestry; and low carbon development. They also address longstanding sustainable development priorities as articulated in the 1994 Barbados Programme of Action for the Sustainable Development of Small Island Developing States (BPOA) and the follow-up (2004) Mauritius Strategy for the Further Implementation of the BPOA. These priorities

² The Government of Barbados has defined a green economy as: *an integrated production, distribution, consumption, and waste assimilation system that, at its core, reflects the fragility of our small island ecosystems as the basis for natural resource protection policy intervention, business and investment choice, human development programming, and for the facilitation of export market development strategies.* [1]

include economic diversification, enhanced competitiveness, resource efficiency, environment and natural resource management, poverty reduction, climate resilient development, technology transfer to support energy reform, and sustainable utilisation of ocean resources.

Key actors

Caribbean governments are not alone in these endeavours. Universities and other academic institutions; regional institutions such as CARICOM and CANARI; regional development agencies like the Inter-American Development Bank; international organisations such as UNEP, the United Nations Economic Commission for Latin America and the Caribbean and the Commonwealth Secretariat; and development partners including the European Union and Norway, have made significant contributions in the development of green economy policy initiatives.

Transitioning to a green economy requires the inclusive engagement of stakeholders in the social, economic, environmental and governance aspects of development, including:

- public sector agencies such as regulatory bodies and those responsible for environment, housing, economic affairs, agriculture, energy, water, waste, planning and investment;
- non-governmental organisations; in the case of the GESS, these included trade unions, Chambers of Commerce and Industry, economic societies, and special interest groups in areas such as environment, transport, agriculture;
- business organisations in sectors such as banking and hotels; and

- community-based organisations, including representatives of indigenous communities.

Opportunities for learning and scaling up

Partnerships with international agencies provide numerous opportunities for learning and scaling up. For instance the Barbados GESS was undertaken through a partnership among three institutions: the Government of Barbados, the University of the West Indies (UWI) and UNEP. Resource persons from all institutions were engaged in client meetings, stakeholder meetings and technical seminars – thereby creating a series of fora where concepts, problems and solutions were discussed. Events such as these can be continued at the national and regional level to share both best and bad practices, lessons learnt, and regional problem solving.

Opportunities for scaling up include utilising existing fiscal frameworks; financing mechanisms such as the Global Environment Facility’s Small Grants Programme, the Clean Development Mechanism, the Rio+20 approved 10 Year Framework of Programmes on Sustainable Consumption and Production; and mechanisms to support education in areas relevant to the green economy.

Barriers and constraints

The main public policy-related barriers and constraints to shifting to a green economy include:

- weak cycles of policy development > implementation > evaluation > refinement;
- the lack of fiscal space and high debt levels that constrain new investments in “green” areas;
- the relative high costs of doing business in many Caribbean countries that can impact competitiveness;
- weak systems of data collection and management to support effective evaluation;
- the impact of social problems such as poverty, crime and unemployment have on the investment climate;
- despite the fact that the Revised Treaty of Chaguaramas lays the foundation for building a Sustainable Caribbean Community, there remains the need for a synergized approaches to the transition to a Caribbean Single Market Economy and the pursuit of Green Economy in CARICOM countries,.

With respect to the business sector, although some incentives are in place, their target audiences are often not aware of their existence or cannot access them. In addition:

- there is no legal regime for Caribbean companies regarding the undertaking environmental and social initiatives;
- environmental and social risk issues need to be mainstreamed into the decision models of Caribbean businesses; and
- the impact of “greening” needs to be understood in the context of global supply chains within consumption and production sectors of the Caribbean. For example, what will be the impact of carbon pricing on the value of commodities produced in the Caribbean.

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Caribbean Natural Resources Institute

The Caribbean Natural Resources Institute (CANARI) is a regional technical non-profit organisation which has been working in the islands of the Caribbean for over 20 years.

Our mission is to promote and facilitate equitable participation and effective collaboration in the management of natural resources critical to development in the Caribbean islands, so that people will have a better quality of life and natural resources will be conserved, through action learning and research, capacity building and fostering partnerships.

For more information please contact:

Caribbean Natural Resources Institute (CANARI) Fernandes
Business Centre

Building 7, Eastern Main Road, Laventille, Trinidad. W.I.

Tel: (868) 626-6062 • Fax: (868) 626-1788

Email: info@canari.org • Website: www.canari.org



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