

environmentally - responsible actions. Some countries such as Belize and Jamaica have established Trust Funds. Environmental issues are further addressed in the main sectors as follows:

- Trade

The potential use of trade agreements to induce foreign companies to pay greater attention to environmental management remains to be explored. Most agreements between CARICOM countries and major trade partners are collectively negotiated by the Caribbean Regional Negotiating Machinery (CRNM), guided by WTO directives and rules. Because the WTO has taken no position on the environmental aspects of trade, the CRNM has not addressed environmental issues in its negotiations with WTO. However, particularly given the harmful effects of intensive tourism development on the environment, the need to do so is seen by CRNM staff as a priority and in some cases new trade agreements such as DR-CAFTA between the Dominican Republic and Central America include an environmental policy component and the recent CARIFORUM/EU EPA, signed in October 2008, includes environment issues in its chapter four.

- Agriculture and land use

The most recent articulation of regional agricultural policy in the Caribbean is outlined in the Revised Treaty of the CARICOM Single Market and Economy (CSME). Specific environmental goals are included in Article 56 of the Community Agricultural Policy that states that Policy's goal includes the efficient management and sustainable exploitation of the Region's natural resources, including forests and the living resources of the exclusive economic zone.

Key areas under the sustainable use, management and conservation of land resources, include land use planning, protected areas management, sustainable agriculture, forestry, watershed management, environmental protection and mining (Belize, Guyana and Jamaica). These areas are being addressed by a variety of programmes and projects with major outputs being the production of National Action Plans (NAPs) to Combat Desertification; National Biodiversity Strategies and Action Plans and a plethora of country -specific policy documents. Countries are at various stages of developing NAPs. Jamaica and Belize have recognised the need for integrating economic, social and physical planning activities related to these areas and along with Dominica have provided mechanisms for a participatory community input for natural resource management.

Many countries are addressing institutional strengthening and capacity building for sustainable land use management and some territories have either set up Committees or Secretariats to address critical land use issues or have revised their institutional framework for more effective land use management. Of note is the creation of the Ministry of Lands and Environment in Jamaica in 2000. In addition, most territories are in the process of reforming land use policies and are updating their legislative policies. Some countries, such as the Bahamas, Jamaica and Saint Lucia require Environmental Impact Assessments (EIAs) for large developments.

A wide spectrum of creative initiatives aimed at both broadening opportunities for sustainable rural livelihoods and diversifying agricultural products. These include promoting organic farming; the use of ethno-botanical products for the herbal and cosmetic markets; the strengthening of linkages between agriculture and tourism including through food festivals. The Fair Trade System is established within the Banana Industry and intended to have positive effect on the environment (e.g. protection of ecosystems of high ecological value and the protection of water sources from chemical pollution).

- Forestry

In the past decade, the forestry sector in the region has undergone significant changes and many countries have developed new forestry legislation that tends to promote the integration of sustainability principles into forest management, the use of planning tools such as sustainable management plans, and the decentralisation of management responsibilities, not only within forestry administrations, but also through devolution to local communities and the private sector. Recent efforts focus towards reforestation and restoration of degraded lands, the protection of watersheds and integrated ecosystem management. National forest programmes (NFPs) have become a major framework for policy and institutional development at the national level. The Code of Forestry Practices in several countries (p. ex. Guyana) establishes environmental management requirements for forest operations and some countries have introduced forestry certification programmes.

However, although many Caribbean countries have adequate forestry legislation focusing on sustainable forest management, the laws are often neither applied nor sufficiently enforced. Public forestry institutions lack the capacity, including the human and financial resources for effective enforcement and control. Encroachment, for agriculture and settlement, occurs on forest reserves in many countries, along with other unregulated use. Links with other sectors, especially in policy development, legislation and land use planning are still weak.

Several initiatives towards a 'Regional Strategy of Sustainable Forestry' within the Latin American and Caribbean region or at sub regional level (Regional Strategic Programme for the Management of Forest Ecosystems, adopted 4/2008 for Central America including the Dominican Republic; regional exchange on issues related to governance in the forest sector in the Amazon countries including Suriname and Guyana) are ongoing and several regional environment programmes address forestry issues in the Caribbean.

- Fisheries

CARICOM Regional Fisheries Mechanism (CRFM) (created 2002, headquartered in Belize) is a regional initiative funded by CARICOM Governments to sustainably manage fisheries resources especially straddling stocks of pelagic fish. The CRFM has a mission 'to promote and facilitate the responsible utilization of the region's fisheries and other aquatic resources for the economic and social benefits of the current and future population of the region'. The CRFM is the core of a complex interactive network of a wide variety of stakeholders in fisheries. CRFM has addressed the major challenges and priority needs within the region in the Strategic Plan for the Caribbean Regional Fisheries Mechanism. Other regional initiatives in the sector are:

- A Common Fisheries Regime (developed at the CARICOM level).
- Common fishing zone provisions are being pursued at the sub-regional level through the Environment and Sustainable Development Unit of the OECS.
- Caribbean Fisheries Unit: Fisheries data collection on resource exploitation is ongoing and analysis is being undertaken in reference to resources of the Wider Caribbean)
- The Caribbean Conservation Association (CCA) is managing a Coastal Resources Co-Management Project which seeks to develop guidelines for successful co-management. It addresses the natural resource and human institutional aspects of co-management.
- A successful database on marine resources developed by CFRAMP for CARICOM.

CFRM is actually mandated to establish a Common Fisheries Policy and Regime to modernise fisheries and marine resource use and management. The CFP bases on the principles of regional cooperation and integration, sustainable development, integrated ecosystems approach, and the precautionary principle.

- Mining

Most countries have made efforts to mitigate the negative environment impacts of mining development through instruments such as land-use regulations and EIA legislation. Most countries are moving forward a sustainable mining policy and have already a clear mining policy and strategy, complemented by strict mining laws and regulations like Environment Management Plans (Guyana, Trinidad and Tobago, Cuba). Jamaica has drafted a new Mineral policy including strong environmental provisions in 2008. Environmental considerations are today obligatory elements in mining ventures and those countries with modern regulations and competent environmental regulatory agencies have an advantage in the attraction of new investment.

However, capacity to implement and to control the new provisions is limited and political interference in favour of constituents and powerful economic interests is common. Environmental and social concerns of offshore hydrocarbon exploration (Guyana) are of a lower order of priority than those of mining. Control especially of small scale gold, sand and quarry industries remains a major challenge. Further shortcomings in the application of new Mineral Acts include conflicts with existing environmental legislative provisions, inappropriate legislative mechanisms, institutional weaknesses and absence of enforcement measures. Only very few countries (Trinidad and Tobago) are planning SEA (Strategic Environmental Assessment) in the mining sector.

Initiatives to develop a Regional Strategy for Sustainable Mining in the Latin American and Caribbean Region (with World Bank support) focus on the major mining countries of the Latin American continent and are only partly appropriate for SIDS.

- Water

The Caribbean Water Partnership (CWP) was developed in response to the priorities established by the BPOA, and motivated by the Global Water Partnership. The objectives of the CWP are to establish a framework for collaboration in integrated water resources management (IWRM), within the context of a network of institutions, agencies and stakeholders that will promote IWRM and assist in technology transfer; best practice replication; institutional strengthening; information dissemination and sharing; public awareness programmes and policy formulation. The Interim Secretariat (the Caribbean Council for Science and Technology) and Steering Committee of the CWP have been established and the CWP was launched in June 2004.

Over the past decade, several countries have sought to improve the legal, policy and institutional framework for water resources management. Barbados, Jamaica, Saint Lucia, and Trinidad and Tobago have designed national water policies and are seeking to streamline water laws and institutions. Planned and current measures in support of sustainable watershed management in the Caribbean include internalisation of all water production and watershed management costs into water rates; development of a water-pricing structure that rewards conservation and eliminates cross-subsidies; establishment of a surcharge on water rates to finance the purchase of critical upper watershed areas for conservation; and metering for agricultural users to encourage conservation and efficiency.

However, the efforts being made are still some distance away from the idea for Integrated Water Resources Management. In nearly all countries, there are multiple institutions and agencies involved in water resources management, but there is no effective institutional mechanism in place to coordinate the inputs of these entities. Jamaica (through its National Environmental and Planning Agency) and Trinidad and Tobago (through its Environmental Management Authority) are examples of two countries where some degree of coordination takes place, not only within the water sector, but between the water sector and other areas of the environment and the economy. Decision Support Systems (DSS) within the water sector are grossly inadequate, as reflected in the paucity of data on water resources generally and on water and climate in particular. Generally, regular water resources assessments are not undertaken. Where these are done, they do not include: Demand Assessment (which examines the competing uses of water with the physical resource base and assesses demand for water); and Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) (which examine how social and institutional structures affect water use and management) and risk and vulnerability assessment (which examines the likelihood of extreme events, such as floods and droughts as well as the vulnerability of the society to them and the appropriate mitigation strategies to deal with these events).

- Energy

CARICOM countries committed themselves in the Johannesburg Programme of Implementation (JPOI of 2002) to increase the contribution of alternative source of energy to at least 10% of the energy mix by 2010. Key regional energy initiatives include: The Caribbean Renewable Energy Development Project (CREDP) (financed in part by GEF and GTZ), Task Force on Regional Energy Policy to develop a comprehensive Regional Energy Policy (established in February 2003), Brasilia Platform on Renewable Energies (adopted at the Regional Conference for Latin America and the Caribbean in Brasilia, October 2003), Development of Energy Efficiency in the Caribbean Project, Caribbean Energy Information System (CEIS), Regional Energy Initiative (REI) to implement activities that are not being undertaken within the context of CREDP or the Task Force on Regional Energy Policy.

At national level some countries, including Barbados, Cuba, Dominica, Jamaica and St. Lucia, promote the use of alternative and renewable sources of energy, including solar, hydroelectric, biomass and biogas. Jamaica has attempted the use of wind energy, and biomass has been utilized in the sugar cane industry in Cuba and Jamaica. Barbados, Guyana and Jamaica have attempted to promote efficient renewable energy technologies through the application of economic incentives and policies. Most governments have been actively promoting the efficient use of non-renewable energy sources. Some countries have also adopted energy saving targets and some have introduced cleaner energy technologies and demand side management

programmes. Only a few countries (Barbados, Saint Lucia, Curacao, Cuba) have adopted (or are in the process of adopting) National Energy Policies and Action Plans. Grenada has completed a draft energy policy, which was reviewed and adopted by Cabinet.

However, with few exceptions consumers have not been offered sufficient inducements. Lack of progress in adopting alternative energy sources is attributed in part to costs – which are currently higher than traditional sources – and in part to the lack of public information about energy-efficient technologies and renewable energy options, although this is being addressed in some instances through public awareness programmes.

- Urbanisation

Much of the planning and development legislative framework for urbanisation throughout the Caribbean Region is inappropriate and unwieldy. Several countries still function under the 1947 Town and Country Planning Act of the United Kingdom, or others have modelled their legislation in the 1960s and 1970s on the same basis. Some countries in the region have looked to the United States of America and created Zoning and Development Acts more aligned to urban America than the Caribbean. Planning legislation in most countries has only recently started to incorporate environmental assessment and controls as an integral part of urban development. Previous legislation has been silent on policies of environmental protection and environmental sustainability. However, several Caribbean governments have created urban development corporations as a mean to address the environment and development challenges posed by rapid urbanisation, and recent funding requirements of international finance institutions like the Caribbean Development Bank demand environment considerations and the integration of natural disaster risks in urban development projects. But generally, public/private planners and developers do not give yet high priority to the principles of sustainable development, due to limited knowledge and an unwillingness to depart from traditional development approaches. Exceptions are Barbados, which has incorporated the Caribbean Unique Building Code into national legislation, and Cuba, which has been chosen as one of the pilot countries for the implementation of the joint Urban Environment Strategy (UN- Habitat/UNEP) for Latin America and the Caribbean since 2004.

- Infrastructure, construction and transport

EIA are a requirement for all large development projects in the transport and construction sector in most of the Caribbean countries. The land resource needs of these important development sectors, especially in coastal areas, compete with other sectors and most of the countries try to address these environmental issues through better land use planning tools. Since the United Nations Conference on Environment and Development in 1992, national and regional Transport policies (i.e. chapter 6 of the revised treaty of Chaguaramas (2002) for the CARICOM countries) include environmental issues like energy efficiency, environmentally sound and efficient transportation, pollution reduction and control and the use of safe technologies.

But up to now sea level rise and prevention of natural disasters are very few taken into account in infrastructure/transport and physical planning, although they are foreseen in the Caribbean Disaster Management Plan. Strategic instruments, like Strategic Environmental Assessments (SEA), are not yet used to imbed infrastructure and transport development in sustainable integrated development planning.

- Industries and private sector

The potential of economic instruments to protect the environment and to promote sustainable development has been recognised by decision-makers in the Caribbean. Most countries agreed to pursue and promote sound environmental practices, in part through the establishment of innovative means of generating public and private financial resources by means of fiscal incentives and market-based instruments and to provide economic incentives to encourage the adoption of sound environmental technologies and practices. The application of the polluter pays principle and EIA are the major instruments in the industries and private sector.

The region has a few examples of private conservation. PETROTRIN in Trinidad has devolved the management of 25 ha of wetland within its petrochemical complex as a nature reserve. The Asa Wright Nature Centre in Trinidad and the Springfield Guest House/Archbold Tropical Research and Education Centre in Dominica are also privately owned and managed for research and conservation. Several countries have prominent private sector environmental “champions” who promote the need for sustainable practices

and natural resource conservation, but the concept of Corporate Social Responsibility is not yet well developed. But it is coming to the region with the entry of foreign businesses. For example, the BHP Billiton, an international corporation involved, in Trinidad, in oil and gas exploration and which recently established a subsidiary in the northeastern part of the country, is emphasising its interest in community outreach and good corporate citizenship by assisting a local network of community organisations to develop a turtle conservation and ecotourism business plan for the area.

- Tourism

Important steps have been taken at national and regional levels to strengthen tourism planning and management to include environmental concerns and maximise social and economic benefits. A wide range of laws have been enacted to strengthen environmental management, including the establishment of standards for land use in tourism development and the adopting of integrated watershed and coastal area management systems.

A regional Caribbean Tourism Strategic Plan has been developed in July 2004 which addressed issues such as sustainable development including national environment, community development and health; human resource development; product development, institutional strengthening; investment; air access, airport safety and security; marketing; and information management.

But presently only few Caribbean states have converted the Caribbean Tourism Strategic Plan into National Sustainable Tourism Master Plans to ensure that the economic and social benefits of tourism are distributed as equitably as possible and that the environmental impacts of tourism are addressed. Some countries such as Jamaica and Barbados have formulated Tourism Master Plans with links to National Development Plans. Others, such as Grenada and Barbados have established National Sustainable Development Councils. Dominica has a number of tourism related initiatives including the Dominica Nature Island Standard of Excellence. The Caribbean Tourism Organisation (CTO) and the Caribbean Hotel Association (CHA) convene systematically each year, a Regional Sustainable Tourism Conference. The Caribbean Blue Flag Programme (implemented in 2000) is a voluntary certification scheme for beaches and marinas which includes criteria on safety, management and environmental awareness. The programme, which is being jointly coordinated by the CCA, the CTO and the Caribbean Alliance for Sustainable Tourism (CAST), is being implemented in Antigua and Barbuda, The Bahamas, Dominican Republic, Jamaica, Martinique, Puerto Rico and Venezuela. Further CAST has promoted the Green Globe tourism certification programme, which now counts more than 50 members in 12 countries.

Nevertheless these efforts of environment mainstreaming in the different economic sectors, the implementation remains still poor. Main challenges are the problems mentioned in chapter 3.2: lack of priority of environment issues in national planning, coordination / institutional challenges, lack of a holistic view and environment/economy linkage.

4 EU and other Donor Co-Operation with the Region from an Environmental Perspective

4.1 EU Co-operation from an environmental perspective

- Political framework and relevant financial instruments available for its implementation

Over the last decade, the Caribbean ACP States and the EU have clearly demonstrated a political will to strengthen their relationship, e.g. through enhanced political dialogue and the establishment of a strategic partnership which forms the basis for further cooperation agreements. This strengthened EU-Caribbean partnership also needs to be seen in the context of the wider EU-LAC partnership forged between the EU, Caribbean and Latin American States at their 1st Joint Summit in Rio in 1999.

The current political framework for the EU-CARIFORUM relations is mainly provided by (1) the EU-Caribbean Partnership for Growth, Stability and Development (2006) and by (2) the outcomes of the 3rd CARIFORUM-EU Troika Summit (2008).

(1)The *EU-Caribbean Partnership for Growth, Stability and Development (2006)* is generally based on the policy agenda of the CARIFORUM States and on the principles of the EU Development Policy, the European Consensus on Development (2005) and the ACP-EU Partnership Agreement (“Cotonou Agreement” 2000, revised in 2005). The document stipulates that future cooperation between the two regions will focus on 3 dimensions: (1) Shaping a political partnership based on shared values; (2) Addressing economic and *environmental opportunities and vulnerabilities*; and (3) Promoting social cohesion and combating poverty. With respect to “addressing environmental opportunities and vulnerabilities”, the EU committed itself to continue and strengthen its support to the sectors of Environmental Management and Natural Disaster Management, with emphasis on climate change adaptation and mitigation, early warning, prevention, recovery and rehabilitation.

(2)In the Joint Communiqué of the *CARIFORUM-EU Troika Summit (2008)*, environmental issues are addressed in the following way:

- Both sides agreed to engage in renewed dialogue on issues related to food security and to explore avenues for enhanced collaboration within the framework of new and existing mechanisms for cooperation, including the appointment of a Joint Task Force. *The Task Force would address immediate, medium and long term issues of climate change, energy and food security and agricultural productivity and diversification, with a view to ameliorate the problems in CARIFORUM states and to contribute to their sustainable development.*
- CARIFORUM recalled the *high degree of vulnerability of the wider Caribbean Basin to natural disasters, the increased occurrence and severity of these phenomena as well as the fact that the Caribbean has been internationally regarded as being among those suffering most from the impact of climate change.* In this context, CARIFORUM welcomed the various activities launched recently under the 9th EDF in the area of natural and man-made disasters, including a contribution to the Caribbean Catastrophe Risk Insurance Facility (CCRIF), support to the Caribbean Disaster Emergency Response Agency (CDERA) and the creation of a € 22m standby facility on disaster preparedness and rehabilitation. Also the new ACP/EU Natural Disaster Facility under the 10th EDF was welcomed and the need to ensure its prompt implementation was emphasized.
- The Heads of State and Government welcomed the recent *EU Global Climate Change Alliance (GCCA)* with developing countries, which is designed to help LDCs and (SIDS) to increase their capacity to adapt to climate change and pursue sustainable development strategies. The GCCA is to provide a platform for dialogue and exchange as well as practical cooperation in support of the international negotiations on an ambitious post-2012 climate change agreement and of effective measures at national and regional level.
- A *CARIFORUM-EU Declaration on Climate Change and Energy* (annex 6.2.8) was adopted.

For the implementation of the above mentioned policies and cooperation agreements, several financing instruments are in place. Under the current aid programming cycle (2008-2013), the following instruments are relevant for environment-related cooperation with the Caribbean region:

The *10th European Development Fund (EDF)* (2008-2013), financing the EC's geographic cooperation with ACP countries and OCTs. The EDF consists of grants managed by the Commission and risk capital and (concessional) loans managed by the EIB under the "Investment Facility". The 10th EDF also includes the FLEX mechanism, established to assist countries in remedying the adverse effects of instability of export earnings. The FLEX mechanism is of considerable importance to several countries in the region. The EDF finances national, regional and intra-ACP programmes and initiatives.

The *Development Cooperation Instrument (DCI)* which includes an environmental thematic programme "*Environment and sustainable management of natural resources, including energy (ENRTP)*". ENRTP is contributing to the UNEP-managed Caribbean Biological Corridor with an amount of appr. 2,8 mio €. The DCI also covers the programme "*Accompanying measures for ACP countries affected by the EC's sugar reform*". Under this programme, the ACP Sugar Protocol countries can receive support for their efforts to adjust to the new conditions on the sugar market. Assistance is provided in the frame of the concerned countries' adaptation strategies, amongst other things to *address impacts generated by the adaptation process*, related to employment and social services, *land use and environmental restoration*, the energy sector, research and innovation and macro-economic stability. ACP Sugar Protocol countries in the Caribbean region are: Barbados, Belize, Guyana, Jamaica, St Kitts and Nevis and Trinidad and Tobago.

The *Instrument for Humanitarian and Emergency Assistance* managed through DG ECHO. Of particular relevance is the specific programme for disaster preparedness which was launched in 1996: *Disaster Preparedness ECHO – DIPECHO*. The regional DIPECHO Office for the Caribbean is situated in Santo Domingo, the Dominican Republic.

Before 2007/08, *some additional financing instruments* were of relevance:

- The *Special Framework for Assistance (SFA) (1999-2008)*, created in 1998 as an instrument for the provision of financial and technical assistance to the ACP countries considered as traditional suppliers of bananas to the EC and whose economy was seriously affected by amendments in the EU banana regime at the time. Assistance was provided on the basis of an approved long-term strategy for the restructuring of its banana industry or/and economic diversification. To illustrate the relevance of the SFA in our context: The Natural Resource Programme in Saint Lucia was financed under the SFA (8 mio €). SFA eligible countries in the region include: Belize, Dominica, Grenada, Jamaica, St Lucia, St Vincent and the Grenadines and Suriname.
- The predecessors of the ENRTP: the programmes "Tropical Forests and other types of forests in developing countries" (1991-2006) and "Environment in developing countries" (1992-2006).
- The predecessors of the FLEX mechanism: Stabilisation of Export Earnings (Stabex) and System for mineral products (Sysmin) were established to protect export earnings of ACP countries from the effects of world market fluctuations due to market operations and/or production vicissitudes. Stabex was to provide an answer to primary products problems; Sysmin was to restore and maintain the viability of the mining sector.

In order to give an idea of the scale of financing, Annex 6.2.9 provides an overview of the EC development assistance budgets in the Caribbean (1) over the period 1975-2001 and (2) over the period 1986-2007.

- Past, present and envisaged EC cooperation in the field of environment

The *RSP/RIP related to the 9th EDF (2003-2007)* (modified in 2005 following a mid-term review) focused on regional integration including transport infrastructure, cultural cooperation and the implementation of the EPA process. 90% of the total budget of 98 mio € was allocated to this focal sector. However, considerable environment-related assistance was included in the non-focal sector. 6% of the total budget was allocated to "*Environmental protection, fight against major vulnerabilities and disaster management*". "Environment" was also explicitly mentioned as a cross-cutting issue in the support strategy: "A systematic and preventive approach on the basis of the precautionary principle will promote environmental sustainability".

The clear concern for environmental vulnerabilities and challenges embedded in the above-mentioned guiding policy papers is not really reflected in the *Caribbean Regional Strategy Paper for the current programming cycle (2008-2013, 10th EDF)*. The primary focus of the strategy is to provide support for regional integration and cooperation among CARIFORUM countries, taking into account the objectives of

the region and the needs related to the implementation of the Economic Partnership Agreement (EPA), which is considered to be a vehicle for regional integration. On that basis, the Regional Indicative Programme (RIP) (165 million €) is anchored in one single focal sector “Regional Economic Integration and Cooperation and EPA priority areas including Capacity Building” which is indicatively allocated 85-90% of the available 10th EDF resources. The non-focal sector of the RIP addresses vulnerability and social issues having the potential to negatively impact on the development efforts of the region. In that regard, particular attention will be paid to crime and security including the fight against illegal drugs, empowering non-state actors and capacity development. Indicatively, 10-15% of the RIP is allocated to activities in the non-focal sector.

In relation to the environment, the RSP merely stipulates:

- Cooperation in the areas of climate change and natural disasters will be established in the frame of the Global Climate Change Alliance (GCCA) and the implementation of the EU Strategy for Disaster Risk Reduction.
- Overall environmental mainstreaming must be guaranteed in the different priority and non-priority programmes of the strategy. For each sector, a screening will be made in order to determine what type and what level of environmental impacts could be expected. This will help decide whether a Strategic Environmental Assessment (SEA) is needed or not. If needed, SEAs will be undertaken and their conclusions will be integrated in the design of the proposed actions.
- Areas such as natural disaster preparedness, environment, health, SPS compliance, energy, science and technology, migration, education and biotechnologies are to be covered by Intra-ACP programmes and EC budget lines other than EDF.

As the RIP for the 10th EDF, also several of the National Indicative Programmes (NIPs) of the Caribbean ACP countries are oriented towards activities linked to the EPA: five programmes will target competitiveness, three programmes will contribute to governance and public administration reforms, and another three will focus on infrastructure. In total, this concerns 454 mio € out of some 600 mio, hence about 75% of the national programmes.

Specific cooperation programmes in the environment sector are :

- The *Caribbean Regional Environment Programme (CREP)*. CREP is an EDF assisted programme (9,15 mio €), arisen out of the recognition that communities and policy makers in the Caribbean region were not sufficiently alarmed about the rate of environmental degradation and how this impairs future development opportunities in the region. The CREP was launched in 2000 and received external funding until June 2006. CREP was meant to be sustained by regional and national environmental stakeholders under different funding regimes.
- The *Cross-border Environmental Programme in Haiti and the Dominican Republic (PET – Projet Environnement Transfrontalier)*, which forms part of a range of EDF supported bi-national Haiti/DR initiatives, probably leading to a general bi-national development strategy for the entire Quisqueya Island. PET has been allocated a budget of 4,4 mio € and aims at reinforcing the capacity and bi-national cooperation in sustainable development of the vulnerable lakes area. Currently, terms of reference are being developed for the identification study of a new bi-national project (budget 7 mio €) that will address watershed management, renewable energy, reforestation, forest management, eco-tourism and biodiversity.
- In the area of natural disaster relief and management substantial support has been provided:
 - The *Disaster Prevention Programme (DIPECHO)* of the ECHO. Since 1996 the ECHO Office in the Dominican Republic has been active in disaster prevention and preparedness. The 1st DIPECHO Action Plan for the Caribbean was launched in 1998 and currently the 6th DIPECHO Action Plan is under implementation. DIPECHO has been contributing to the improvement of capacity in the protection and preparedness of communities at risk, with focus on the interrelationship of the various levels of action (local, provincial, national and regional). ECHO also coordinates most of the disaster-related EC assistance and has been leading international responses to natural disasters in the region.

Some concrete examples of DIPECHO interventions: flood relief activities in Guyana at the beginning of 2005; combating effects of the floods of 2006 in Suriname; rehabilitation activities after passage of

Hurricane Dean in 2007 in Jamaica; relief efforts in Haiti and the DR associated with Hurricanes Noel and Olga at the end of 2007; operations during the floods of 2003 in the DR and the ones of 2004 in both the DR and Haiti; small-scale initiatives on disaster preparedness in the DR.

- The *Radar Warning System*, a regional project funded under the 8th EDF with a total budget of 13,2 million € and implemented in the period 2003-06. The Radar Network for Severe Weather Warning is coordinated from Trinidad. The project has contributed to mitigate the economic, social and environmental losses arising from adverse weather conditions, to improve weather data for sensitive productive activities and to develop early warning and public awareness systems.
- The *EDF B-envelope allocations (regional and national levels) set aside for unforeseen needs are in practice most often used for disaster relief and management*. For instance, 8 mio € of B-envelope funds were channelled to the Caribbean Catastrophe Insurance Facility, 7,5 mio € were provided to the DR following hurricane Noel, 14 mio € were allocated to the Disaster Stand-by Facility, 0,7 mio € were provided for assistance to victims of the volcano eruption on Montserrat, 6,5 mio € to the project Strengthening the National Capacity for Disaster Prevention and Preparedness in the DR, etc.
- The 9th EDF funded the *rehabilitation of the Nelson Dockyard seawall* who was badly damaged by hurricanes in 1995-1999 in Antigua and Barbuda.
- The *Sea Defences Programme* in Guyana (8th, 9th and 10th EDF) which included support for policy development on coastal management with SEA preparation, institutional capacity building and infrastructure construction.

Related to natural resources management, the following interventions should be mentioned:

Fisheries: The 7th EDF funded *CARIFORUM Agriculture and Fisheries Programme (CAFT)* with its component of "Fisheries Institutional Development" which was allocated 2,85 million € and implemented from 1998 to 2004. This component included initiatives in the areas of fisheries data information system, resource assessment, resource development and management, human resource development, strengthening of fisheries departments and organisations, strengthening of the legal and regulatory framework, public education and awareness building.

Also the intra-ACP *Programme to Strengthen Fishery products Health conditions* (42 mio €, 8th EDF) supports a number of Caribbean countries to improve market access of fisheries products to the world market, by strengthening the export health controls.

Natural Resources: A *Natural Resources Management Programme* in St Lucia is funded under SFA 2003 (8 mio €); its implementation is ongoing. The Haitian project *Programme d'Informations Territoriales pour le Développement Durable* has received EDF support for several subsequent phases. In the frame of this support, the Centre National de l'Information Géo-Spatiale (CNIGS) was created.'

Water resources:

- ✓ Water supply initiatives have been carried out during several years in Dominica under successive SFA allocations (2006, 2007, 2008);
- ✓ The *Water Supply Project* in Southern Grenada (8th EDF);
- ✓ Also Jamaica has received ample support for water supply and sanitation (8th and 9th EDF): the *Rural Water Supply Project Phase II* (10 mio €, completed in 2007), the *Water and Sanitation Project* under the Poverty Reduction Programme in Whitfield Town, Kingston; *Institutional Strengthening of the National Water Commission* (1,1 mio €), and the *Rehabilitation of the Negril Wastewater project/ Waste Stabilisation Ponds* (3 mio €).
- ✓ 8th EDF support of 21,8 mio € for the *Environmental Health Programme in the Santo Domingo Shanty Towns (SABAMAR)* in the DR (infrastructure, legislation, solid waste management)

Mining: Under the 7th EDF, Sysmin has provided the DR with very valuable instruments and studies in the mining and geological fields. A 9th EDF funded project is under preparation; this project will address the environmental legacy of the Pueblo Viejo gold mine, launch the National Geological Institute and support small artisan, mining enterprises.

Biodiversity and ecotourism: The EU has supported the establishment and management of protected areas such as the *Iwokrama Project* in Guyana and the establishment of national parks in Grenada. In Dominica, almost 6 mio € from the 8th EDF was allocated to the *EcoTourism Development Programme (ETDP)* which

includes the construction of the Waitukubuli National Trail. (2002-2007)

The European Invest Bank (EIB) has provided several loans to the region for the following environment (+renewable energy) - related investments: to the OECS for a waste management project (in collaboration with the WB); to the Bahamas Electricity Corporation to expand the reach of their services of water supply and sewerage; and to Dominica for the construction of an hydroelectric facility. The bank is also exploring operations in the energy sector in the DR, two of which are in the renewable energy sector (ethanol and wind power).

A good number of projects in the region are implemented under the EC-programmes for *tropical forests and environment (budgetline 21 02 05)*.

Environmental mainstreaming, heavily promoted by the general EC development policy, is often mentioned in the regional as well as in the national Strategy Papers. Still, it is very difficult to trace to what extent this mainstreaming is effectively implemented. For instance, in the performance grid for internal EC evaluation, not one single environment-relevant indicator is included. Generally, the consultations of resource persons during the country visits revealed that environmental mainstreaming is mainly done on paper. During implementation, environmental mainstreaming is rarely put in practice.

Some (paper) examples of environmental mainstreaming are:

- In Barbados: the *Tourism Support Programme* (8 mio €; 8th EDF) and the *Skills Development Sectoral Support Programme* (10th EDF);
- The Jamaica component of the regional *Integrated Development Programme for the Caribbean Rum Sector* (8th EDF) as it includes “plant modernisation and meeting environmental needs”;
- The programme for *Support to the Sugar Cane Sector in Jamaica – 2007* (25 mio €) as it emphasises environmental sustainability and envisages the elaboration of a SEA for the sector. At the moment, the SEA is ongoing.

Most important perspectives for future environment-related EC cooperation are the Global Climate Change Alliance (GCCA) and the recently approved Intra ACP Natural Disaster Facility.

- EU Member States (MS) cooperation in the region

Only a few EU MS provide substantial assistance to the environmental sector in the region. Most support is thereby going to bilateral interventions; only DFID is running a genuine regional programme for the Caribbean and Germany supports some bi-national projects in Haiti/DR. Another important trend consists in the allocation of larger budgets to multi-donor programmes and initiatives (including to the EC budgets).

United Kingdom: In the recent past, DFID has implemented programmes at regional and sub-regional (OECS) levels providing a.o. support in the field of environment: natural resources management, support to the Caribbean Natural Resources Institute (CANARI), and solid waste management.

DFID’s present Regional Development Strategy for the Caribbean (2008-2013) states that the UK will spend up to £3 mio a year to help prepare for natural disasters and to aid post disaster recovery. Further, they will also support the development of alternate energy sources. Specifically, the Strategy includes support to reduce vulnerability of communities most under threat and to reduce the losses caused by disasters; to improve prediction and coordinated responses to disasters through the CDERA and the CCCCC; to the multi-country catastrophe insurance; and to help the region deal with climate change, energy efficiency and environmental protection. DFID also implements a State Forest Management Project in *Grenada*.

France: The Agence Française de Développement (AFD) has no regional interventions in the Caribbean but supports environmental projects in different Caribbean countries. In the *Dominican Republic*, for instance, AFD’s intervention strategy includes an important component for protection and development of the country’s natural resources (environment and biodiversity): improving water quality in urban areas, combating deforestation and management of water resources in rural areas. In this respect, AFD currently supports the implementation of the Sierra Development Plan which entails support for reforestation, water supply and microfinance development. In *Haiti*, AFD focuses a.o. sectors on water supply and waste management. Environment-related projects under implementation in Haiti are: (1) an urban development project in Jacmel: flood prevention, drainage, support to the municipality; and (2) a drinking water project to supply the disadvantaged neighbourhoods of Port-au-Prince and to implement the emergency rehabilitation

of the drinking water network. In *Grenada*, France finances operations aiming at marine park protection and trail development in selected sites for tourism. Finally, in *St. Vincent and the Grenadines*, AFD provides support for the enhancement of the tourism sector and for the improvement of the water supply and quality on St. Vincent.

Current trend: allocation of larger contributions to multilateral cooperation (EU, UN,...); the budgets that remain for bilateral cooperation are steadily decreasing.

Germany: Environmental protection and climate change, as well as urban water supply and sanitation are priorities for the German cooperation (BMZ) with Latin America and the Caribbean. Recent cooperation initiatives in the field of the environment are:

- a Natural Resource Management project in the *Dominican Republic*;
- a project designed to Combating Desertification in the Caribbean/Central America;
- a binational project in *Haiti and the Dominican Republic* for Poverty Reduction through sustainable use of Natural Resources in the cross-border Catchment Area of the Río Artebonito;
- another binational project in *Haiti and the Dominican Republic* for Reconstruction and Disaster Risk Management in the border area.
- the *OECS* secretariat in St Lucia receives technical assistance for the strengthening of the Natural Resources Monitoring Unit (NRMU).

Additionally, a programme for Emergency Aid Measures in Gonaive, *Haiti* is under preparation.

GTZ is interested in – and has funds available for – (co-)financing regional programmes in the environment-related areas of renewable energy and NRM. GTZ is prepared to engage in larger multi-donor initiatives. For example, they are currently considering to contribute to the UNEP-managed *Caribbean Biological Corridor*.

The Netherlands: are providing sector-wide support to *Suriname* amongst others to the sector of environment.

Spain: Spain finances a project for “Access to Potable Water and Basic Environmental Health” in the *Dominican Republic*. Further, in the frame of its overall Araucaria programme (currently Araucaria XXI), the Spanish cooperation implements since 2007 a range of activities in *Haiti*. The objective is to contribute to improving the environmental conditions in the South-East Department of the country and to strengthen the local capacity and competence for environmental management. Among the envisaged results are: the elaboration of a Management Plan for the South-East Catchment; conservation of biodiversity in the National Park “La Visite”; support to the establishment of a Man & Biosphere Reserve comprising lake Azuëi, the mountain range of La Selle (National Park “La Visite”) and the districts Belle Anse and Jacmel; and a pilot reforestation project of 100 ha in the NP “La Visite”. Besides this environmental component, the project includes a number of livelihood improving activity lines. Total budget for Haiti: 1,8 mio €.

4.2 Co-operation funded by other agencies from an environmental perspective

Though the EU (EC + MS) can be considered as the main provider of development assistance (in grants) to the region, a range of other donor agencies and funds supporting initiatives in the field of environment and/or natural disaster management do exist. A summary of the environmental activities of these main donor agencies and international organizations is provided in the subsequent paragraphs as well as in Annex 6.4.

The Global Environment Facility (GEF)

Being the designated financial mechanism for the main MEAs (UNFCCC, UNCCD, UNCBD) and hence assisting countries in meeting their obligations under the conventions that they have ratified, the GEF finances many environmental projects in the Caribbean region. In practice, the GEF provides grants to projects that address one or more of the following 6 focal areas: biodiversity, climate change, international waters, land degradation, the ozone layer, and persistent organic pollutants (POPs).

The GEF-funded projects and programmes are implemented through “GEF Agencies”. These agencies assist eligible governments and NGOs in the development, implementation and management of the projects. Besides, they participate in the GEF governance as well as in the development of GEF policies and programmes. The main GEF Agencies involved in projects in the Caribbean are UNEP and UNDP; also IBRD is well represented and just a few projects are managed through the IDB.

The 16 CARIFORUM countries are benefiting from 14 global, 32 regional and 122 national projects. Annex

6.4 provides a full list of these past and ongoing GEF-financed projects in the region as well as some summarising tables: (1) the coverage of countries by the regional projects; (2) the coverage of countries by the global projects; (3) the allocated budgets by country (for the 122 national projects); and (4) the distribution of the 168 projects over the 6 Focal GEF areas.

Together the 46 (44 approved and 2 under preparation) regional and global GEF projects have been allocated GEF grants for a total amount of 220,331 million US\$. The amount of their co-financing being 698,421 million US\$, the total budget for these 46 projects is 918,752 million US\$. Regarding the national countries, the total GEF grant comes to 118,515 million US\$, what – the co-financing part being 303,052 million US\$ - adds up to a total cost of 421,567 million US\$. In relation to the focal areas, it is obvious that “Biodiversity” and “Climate Change” are the best covered areas. Still, as for the regional projects “International Waters” becomes an important area as well.

During the country visits, resource persons reported that GEF projects are generally very well designed but characterized by very long approval procedures so that the period between formulation and implementation can last for several years (up to 7 years).

Apart from the above mentioned projects, the GEF portfolio includes a huge number of smaller projects funded through the “Small Grants Programme”. The Caribbean region as well as the 16 individual countries constituting the region are beneficiary of an important number of such smaller projects.

The Organisation of the American States (OAS)

Over the past years, OAS’ Department of Sustainable Development has focused on assisting Caribbean States in anticipating and/or mitigating real or potential threats to their social, economic and environmental security such as: natural hazards; energy price shocks; food scarcity; land degradation; chemical contamination; loss of biodiversity and water scarcity. Concrete measures and efforts have been deployed in the areas of (1) Management of natural hazards risks (the Inter-American Network for Disaster Mitigation, the Caribbean Emergency Legislation projects, the Grenada Hurricane Resilient Home Reconstruction projects); (2) Renewable energy (support via the Global Sustainable Energy Islands Initiative – GSEII and the Eastern Caribbean Geothermal Project – GEO-Caraibes; beneficiary countries are St. Kitts & Nevis, Dominica and St. Lucia); (3) Sound management of chemicals (awareness raising, identification of toxic chemical stockpiles posing a serious hazard, regional strategy development, and development of innovative financial arrangements such as Payment for Ecological Services schemes); (4) Integrated Water Resource Management (support to design of national and regional policies, facilitating the Inter-American Dialogue on Water Management); (5) Management of the coastal and marine resources of the Caribbean Sea (Following the adoption of the UN Resolution on the Caribbean Sea and the establishment of the Caribbean Sea Commission, OAS/DSD is seeking to promote a collaborative approach to the design and implementation of a comprehensive Ocean Governance Programme for the Caribbean Sea. In this regard, collaboration has begun, with the UWI (in the context of the Caribbean Large Marine Ecosystem Project (CLME); and with the Cropper Foundation (in the context of the Caribbean Sea Ecological Assessment (CARSEA).); (6) Environmental law, policies and economics (capacity building, database development on environmental legislation, support in facing new challenges resulting from economic integration and trade liberalisation); and (7) Sustainable land management (GEF-funded project for Prevention of Land Degradation through Sustainable Land Management in 7 countries).

The Inter-American Development Bank (IDB)

Environment is one of the IDB’s priority thematic areas. Two region-wide (LAC) IDB initiatives are under implementation:

- The Sustainable Energy and Climate Change Initiative (SECCI). This initiative seeks to support the LAC region in its urgent challenges to find economically and environmentally sound energy options. Core objectives are to expand the development and use of renewable energy sources, energy efficiency technologies and practices, and carbon finance in the region, as well as to promote and finance climate change adaptation strategies that reduce the regions climate vulnerability.
- The Water and Sanitation Initiative (WSI). Under this initiative, strategic guidelines, specific targets and special financial products have been developed to support solutions tailored to each country’s needs.

The IDB has offices in all 26 LAC countries where it finances programmes and projects; concerned Caribbean countries are: the Bahamas, Barbados, Belize, the Dominican Republic, Guyana, Haiti, Jamaica, Suriname and Trinidad & Tobago. For the OECS countries, the IDB channels its funds through the CBD. Belize, Jamaica and Guyana have bilateral arrangements with the IDB and lending is done on a stand-alone basis. The most relevant IDB supported projects in the Caribbean countries mentioned above are included in