



Review of Recommendations and Feedback

Project Name: Review and recommendations on sustainable financing mechanisms in the Caribbean and OECS

Client Name: OECS Commission



**17 Asset
Management**

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Recommendations



The analysis presented 4 potential paths towards creating a more holistic financing landscape

1

Optimizing
engagement with
the existing
ecosystem

2

Consolidate
engagement to
smaller number
of core
mechanisms

3

Establishment
of NFVs in each
Member State

4

Set-up brand new
OECS regional
investment facility

Guiding questions for breakout groups



Before discussing which approach is most suitable, participants should establish their position on a few basic points

Scale & Partners

- **Question:** Which sectors / themes do we want to prioritize?
- **Question:** How much funding can we realistically manage? What's our 2 year, 5 year, and 7 year goal?
- **Question:** Do we want to pursue this nationally or regionally? What does a combination of both approaches look like?

Enabling Environment

- **Question:** Do we have the existing policy/legislation to effectively implement or support deeper SFM engagement?
- **Question:** What institutions do we need to engage to ensure this mechanism will be fully functional?
- **Question:** What is the process for approval to establish this mechanism and who are the key players supporting this process?

Structuring & Logistics

- **Question:** What stakeholder(s) is best suited to help execute our SFM approach?
- **Question:** How important do we see the private sector as a partner?
- **Question:** Who will be responsible for project evaluation, design, and structuring?
- **Question:** Who should make the investment decision?

Resources & Alliances

- **Question:** What resources (human or financial) currently exist to support deeper engagement with SFMs?
- **Question:** How can we reallocate existing resources to support pursuing SFMs in a non-disruptive way?
- **Question:** What organization or outside resource has or can build the expertise we need to execute our vision?





What thematic areas should be prioritized? What funding is necessary and over what time frame?

Key Takeaways

Thematic Areas

- Need a holistic and integrative approach
- Core environmental issues not symptoms
- Coastal oceans, blue-green economy, water, waste management, energy transition, and indigenous ownership

Scale of funding

- Need to broaden reach to ensure large scale is met - further analysis needed on specific amount
- Effective management of funding is critical - ensuring good governance, rigorous due diligence
- Identify synergies in funding sources
- Needs to support national priorities not only popular themes

Broad-based source of funding ideal to support holistic and targeted thematic approach



What existing policy/legislation supports SFM development or implementation? How do we raise awareness?

Key Takeaways

Existing policy

- Need to ensure SFMs have higher priority in MoFs and other non-Sustainable Development related ministries;
- Better enshrined in economic planning and development policies
- Some policies exist but lack enforcement; lack of capacity an issue in some ministries

Raising awareness

- Need a clear strategy that identifies specific targets, stakeholders, and communications
- Organise consultation for intersectoral ministers and specifically Ministers of Finance for awareness, sensitisation and “buy-in”
- Identify and support sustainable development champions
- Multisector engagement needed, including private sector and financial institutions
- Relevant and targeted data collection needed to show economic benefits

Buy-in and collaboration with Ministries of Finance is critical to deeper integration of SFM into planning and resource mobilization



Which proposed options are most suited for needs and context? What organisations and stakeholders best aligned to support SFM efforts?

Key Takeaways

Suitability of proposed options

- Some national mechanisms exist but there is a gap in connection regionally - requires more connectivity between Ministries
- Blended strategy such as VI Climate Change Trust Fund - a national and regional mechanism
- Leveraging OECS to set standards and guidance, support operationalisation, and as a mechanism to pursue larger funds outside of national reach

Alignment of stakeholders and organisations

- Ministries of Finance need more inclusion, also PM Office where applicable
- Diverse landscape requires blended approach as no one stakeholder is perfectly suited but many can play pivotal roles
- Caribbean Biodiversity Funds
- Caribbean Tourism Associations - potential for revenue generation

Need for a blended approach critical to diverse landscape and will require more connectivity and coordination between Ministries



*What resources currently exist to be able to support deeper engagement?
How can we reallocate existing resources? Where does expertise reside?*

Key Takeaways

Human resources and coordination

- Beyond funding, there is a need to develop human resources through short- and medium-term expertise to support knowledge transfer; South-South exchange
- Coordination must go beyond one person – needs to be at an organisational level
- Human resources to support coordination will be a challenge - “warm bodies”

Private sector engagement

- Early and continued engagement of private sector is necessary
- How to support local private sector engagement alongside international private sector
- Engage private sector (national and diaspora) to help them understand how investments in nature helps nature take care of itself; improve communication,
- Demonstrate revenue generation capabilities of nature and how to capture those funds
- Further research to determine how to increase attractiveness of adaptation projects

Strong coordination is key for success and should not fall upon only one person but rather be entrusted to an organisation

Prioritized Recommendations

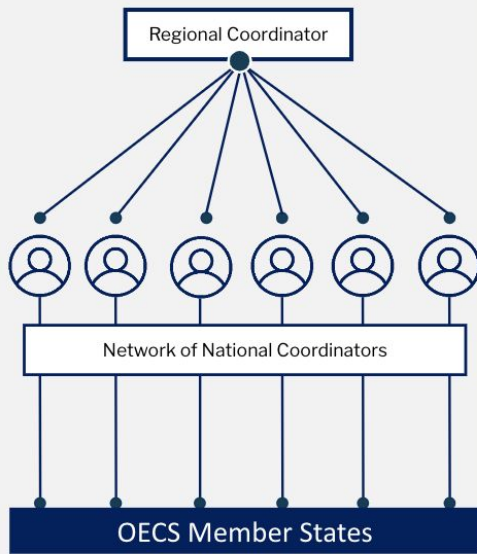


These recommendations emerge as having the most potential and will need further analysis

1

Optimizing engagement with the existing ecosystem

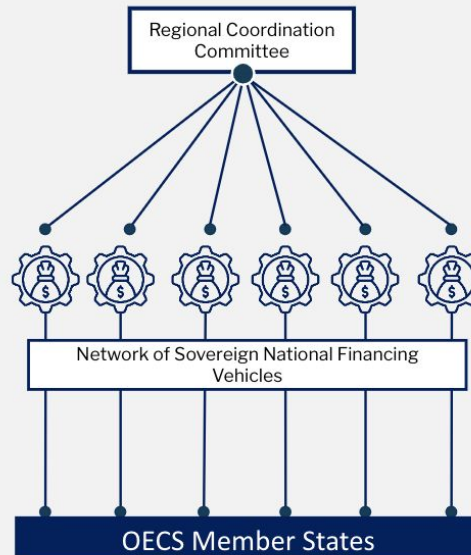
Structure



3

Establishment of NFVs in each Member State

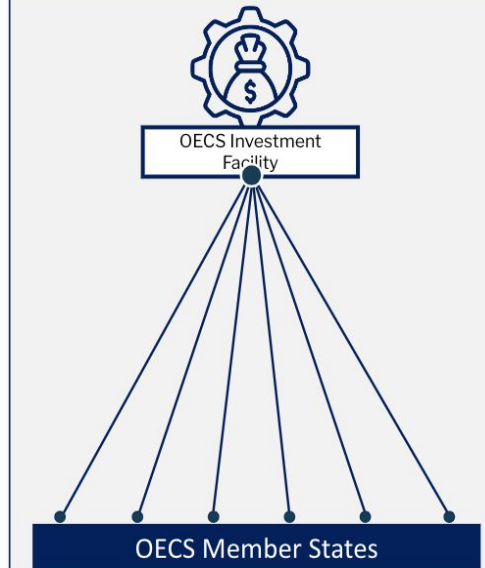
Structure



4

Set-up brand new OECS regional investment facility

Structure



Optimizing the existing ecosystem

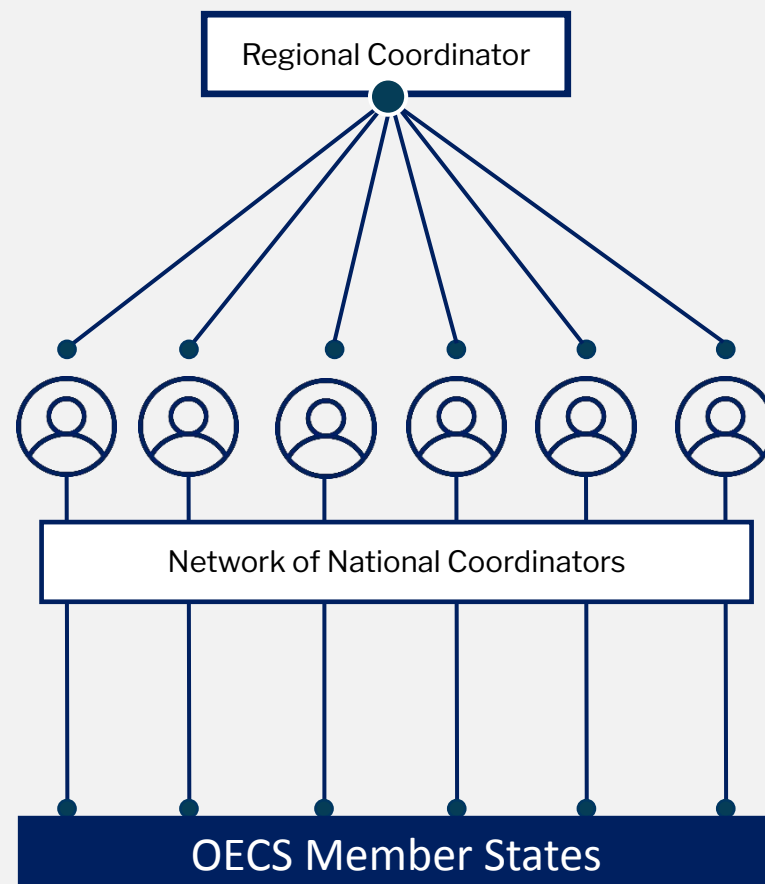


Optimizing the engagement approach can unlock untapped resources from the current financing ecosystem

Feedback

- National coordinator will need to be an organisation not just one national coordinator to support continuity and legitimacy
- Human resource capacity is critical to secure
- Need more connection between different Ministries to help highlight and support
- Early and continue private sector buy-in essential

Structure



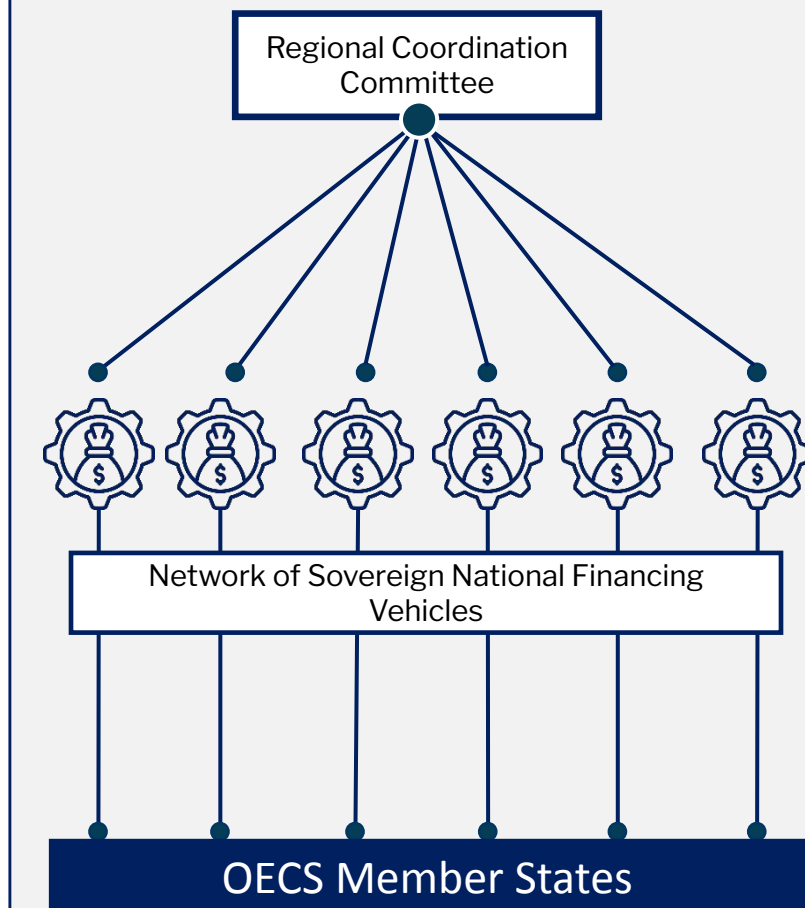
Nationally-led approach

This path can result in quick wins but is likely to be of a smaller scale and less transformative than a regional approach

Feedback

- Need for a blended approach (national and regional)
- OECS as an opportunity to set standards and guidance
- OECS can leverage position to access larger/differentiated funding outside of reach of national entities
- Need to deeply engage MoF
- Engage South-South knowledge transfer to identify best practices

Structure



Regionally-led approach

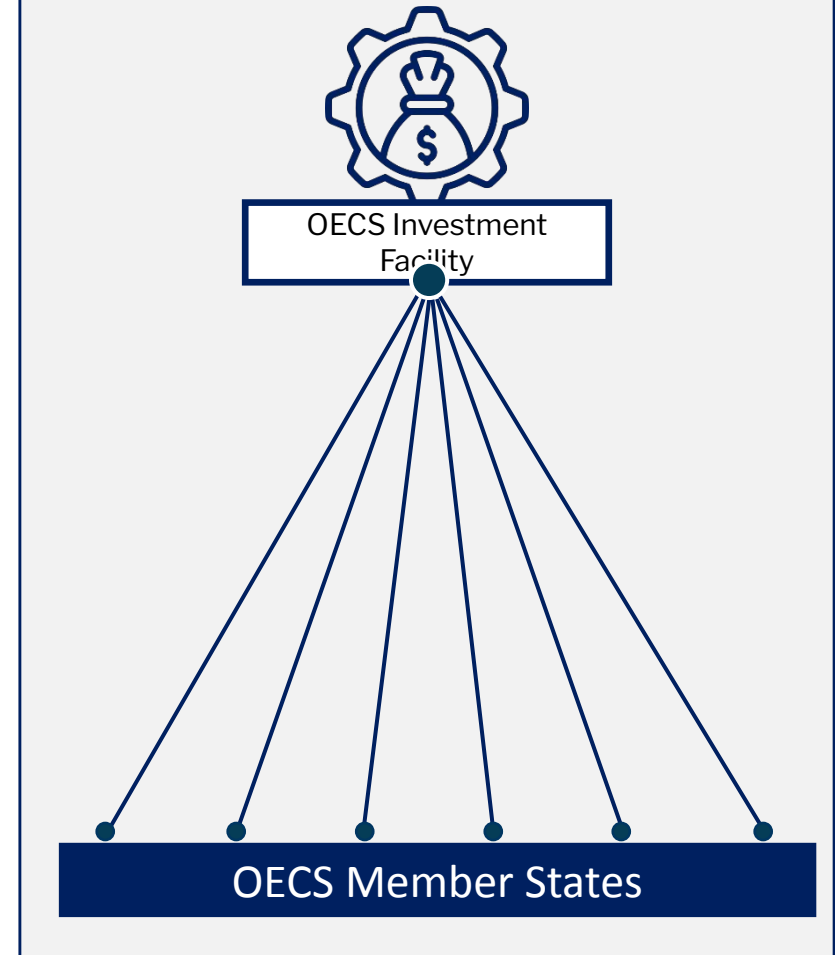


This approach could achieve scale and operational efficiency but is complex to set-up

Feedback

- OECS as an opportunity to set standards and guidance
- OECS can leverage position to access larger/differentiated funding outside of reach of national entities
- Regional coordination can help to identify new opportunities and synergies

Structure





- **Consult with Ministries of Finance**
 - **Objective is to better understand perspectives, constraints, opportunities, and potential alliances**
 - **Understand ways of working and interconnectivity between MoF and other Ministries**

- **Develop a costing and action plan for COM:ES meeting in July**
 - **Continue analysis of proposed recommendations incorporating existing and any additional feedback**
 - **Conduct further research for operationalisation**

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